

City Council Meeting

Date: Monday, June 7, 2021

Time: 1:00 o'clock p.m.

Location: Council Chambers, 1st Floor, Windsor City Hall

All members will be participating electronically and will be counted towards quorum in accordance with Procedure By-law 98-2011 as amended, which allows for electronic meetings during a declared emergency. The minutes will reflect this accordingly.

MEMBERS:

Mayor Drew Dilkens

Ward 1 – Councillor Fred Francis

Ward 2 – Councillor Fabio Costante

Ward 3 – Councillor Rino Bortolin

Ward 4 – Councillor Chris Holt

Ward 5 – Councillor Ed Sleiman

Ward 6 – Councillor Jo-Anne Gignac

Ward 7 – Councillor Jeewen Gill

Ward 8 – Councillor Gary Kaschak

Ward 9 – Councillor Kieran McKenzie

Ward 10 - Councillor Jim Morrison

ORDER OF BUSINESS

Item #	Item Description
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1.	ORDER OF BUSINESS
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| 1.1. | In the event of the absence of the Mayor, Councillor Morrison has been Appointed Acting Mayor for the month of June, 2021 in accordance with By-law 176-2018, as amended. |
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2.	CALL TO ORDER
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3.	DISCLOSURE OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF
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4.	ADOPTION OF THE MINUTES
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5.	NOTICE OF PROCLAMATIONS
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Illuminations

“Crohn’s and Colitis Canada – Gutsy Walk Weekend” – Saturday, June 5 to Sunday, June 6, 2021

“Sickle Cell Awareness Group of Ontario – World Sickle Cell Day” – Saturday, June 19, 2021

6.	COMMITTEE OF THE WHOLE
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7.	COMMUNICATIONS INFORMATION PACKAGE (This includes both Correspondence and Communication Reports)
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| 7.2. | Summary of Hotline Issues Referred to Management by PwC – 2020 Q4 and 2021 Q1 - City Wide (CM 3/2021) |
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| 7.3. | Status Report on Implementation of Audit Recommendations – 2020 Q4 - City Wide (CM 15/2021) |
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| 7.4. | Regional Food and Organic Waste and Biosolids Processing Project Update - City Wide (C 74/2021) |
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8. **CONSENT AGENDA**

- 8.1. Capital Variance Report - March 31, 2021 - City Wide (**C 68/2021**)
- 8.2. Willistead Furnishings Trust funding - City Wide (**C 73/2021**)
- 8.3. Application for Site Plan Approval at 600 Ouellette Avenue (SPC-023/20), 17-storey multi-family dwelling with 119-units. Ward 1 (**C 64/2021**)
- 8.4. Extension of Interim Control By-law 103-2020 - City Wide (**C 70/2021**)
- 8.5. Request to extend timeframe for redevelopment of demolished residential dwellings located at 1279-1281 and 1283-1285 Langlois Avenue, which are subject to Demolition Control By-law 131-2017 (Ward 4) (**C 75/2021**)
- 8.6. Purchase of One (1), 2020 Ford F550 4X4 Service Crane Truck for the Pollution Control Operations for Service, Maintenance and Repair of its Pumping Stations and Plants, to be utilized City Wide (**C 62/2021**)
- 8.7. Purchase of Two (2), 2023 Diesel Powered Aerial Trucks for the Parks Department, Forestry Division, to be utilized City Wide (**C 63/2021**)
- 8.8. Appointment of Drainage Engineer - Sprucewood Avenue Drain - Ward 1 (**C 65/2021**)
- 8.9. Regional Community Safety and Well-Being Plan Interim Report - City Wide (**C 72/2021**)
- 8.10. Educational Assistance Reserve Account - Expenditures for 2020 - City Wide (**CM 14/2021**)

CONSENT COMMITTEE REPORTS

- 8.11. Windsor Accessibility Advisory Committee - 2020 Annual Report (**SCM 157/2021**) (**SCM 79/2021**)
- 8.12. Minutes of the Housing & Homelessness Advisory Committee of its meeting held February 23, 2021 (**SCM 158/2021**) (**SCM 111/2021**)
- 8.13. Ministry of Labour Training and Skills Development Service Contract Approvals - City Wide (**SCM 159/2021**) (**S 40/2021**)
- 8.14. 1st Lease Extension and Amendment Agreement for the Consolidated Municipal Service Manager (CMSM) for the delivery of Ontario Works in Leamington, ON - City Wide (**SCM 160/2021**) (**S 41/2021**)
- 8.15. 4433 Wyandotte Street East Z-043/20 [ZNG6163] to add use to a zoning category and permit site specific provisions - Ward 5 (**SCM 171/2021**) (**S 43/2021**)

- 8.16. Zoning By-law Amendment to permit a Multiple Dwelling Development - 2676 Grand Marais Road West ZNG-040/20 [ZNG/6251]- JMV Holdings Ltd., - Ward 10
(**SCM 172/2021**) (**S 45/2021**)
- 8.17. S.W. & A. (Sandwich, Windsor & Amherstburg) Railway Car Barns, 1200-1220 University Avenue West – Request for Heritage Designation and Heritage Conservation Easement (Ward 3) (**SCM 173/2021**) (**S 47/2021**)
- 8.18. Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways
(**SCM 174/2021**) (**S 28/2021**)
- 8.19. Response to Council Question 26-2018 and Council Resolution 560-2019 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages, Ward 3 and Ward 4
(**SCM 175/2021**) (**S 42/2021**)
- 8.20. Brownfield Redevelopment Community Improvement Plan (CIP) application submitted by 850 Division Inc. for 850 Division Road (Ward 9) (**SCM 176/2021**) (**S 44/2021**)
- 8.21. Minutes of the International Relations Committee of its meeting held March 23, 2021
(**SCM 177/2021**) (**SCM 130/2021**)

9. **REQUEST FOR DEFERRALS, REFERRALS AND/OR WITHDRAWALS**

10. **PRESENTATIONS AND DELEGATIONS**

PRESENTATIONS: (10-minute maximum)

- 10.1. Internal Audit Risk Assessment and Plan 2021-22 (**SCM 166/2021**)
- 10.2. Internal Audit Summary Package - May 2021 (**SCM 167/2021**)
- 10.3. Tourism Windsor Essex Pelee Island (TWEPI) - Presentation- new regional tourism video, discuss plans for 2021, unveil new 2021-2022 Official Visitors Guide

11. **REGULAR BUSINESS ITEMS (Non-Consent Items)**

- 11.1. Windsor-Canada Utilities Ltd. – Annual General Meeting – City Wide (**C 69/2021**)

12. **CONSIDERATION OF COMMITTEE REPORTS**

- 12.1. (i) Report of the Special In-Camera meeting or other Committee as may be held prior to Council (if scheduled)

13. **BY-LAWS** (First and Second Reading)
14. **MOVE BACK INTO FORMAL SESSION**
15. **NOTICES OF MOTION**
16. **THIRD AND FINAL READING OF THE BY-LAWS**
17. **PETITIONS**
18. **QUESTION PERIOD**
19. **STATEMENTS BY MEMBERS**
20. **UPCOMING MEETINGS**
 - Accessibility Advisory Committee
Tuesday, June 1, 2021
10:00 a.m., Zoom Video Conference
 - Community Services and Parks Standing Committee
Wednesday, June 2, 2021
9:00 a.m., Zoom Video Conference
 - Development and Heritage Standing Committee
Monday, June 14, 2021
4:30 p.m., Zoom Video Conference
 - Windsor Essex County Environment Committee
Thursday June 17, 2021
4:30 p.m., Zoom Video Conference
21. **ADJOURNMENT**



Council Report: CM 3/2021

Subject: Summary of Hotline Issues Referred to Management by PwC – 2020 Q4 and 2021 Q1 - City Wide

Reference:

Date to Council: June 7, 2021
Author: Marco Aquino
Executive Initiatives Coordinator
519-255-6100 ext 6477
maquino@citywindsor.ca
City Treasurer
Report Date: April 8, 2021
Clerk's File #: AF/11247

To: Mayor and Members of City Council

Recommendation:

THAT City Council **RECEIVE FOR INFORMATION** the Summary of Hotline Issues Referred to Management by PwC from October 1, 2020 – December 31, 2020 (attached as Appendix A) and from January 1, 2021 – March 31, 2021 (attached as Appendix B).

Executive Summary:

N/A

Background:

City Council approved CR110/2013 which approved the Hotline & Notification Protocol. The Hotline & Notification Protocol was subsequently updated with M234-2014 on May 20, 2014. PwC monitors the incoming calls, emails and letters to the City's Concerned Citizen/Employee Hotline and uses the approved decision tree contained in the Protocol to determine whether PwC or City management is best suited to investigate and resolve each issue.

As of January 20, 2020, Internal Audit reports to the Auditor General, who oversees all of Internal Audit's activities, which includes the Concerned Citizen/Employee Hotline.

Discussion:

For the period of October 1, 2020 to December 31, 2020, PwC referred ten (10) Hotline messages to City of Windsor management for investigation and action; and for the period of January 1, 2021 to March 31, 2021, PwC referred ten (10) Hotline messages to management for investigation. For a summary of all Hotline messages referred to

management by PwC for the periods noted, please see Appendix A and Appendix B for further information. All Hotline messages referred to management in 2020 Q4 and 2021 Q1 have been reviewed and have been closed. All issues from previous quarters have also been reviewed and closed.

The current hotline protocol for review and response to all Hotline related matters was amended in 2014. A review of this protocol inclusive of the role of the Auditor General is currently being undertaken by PwC. Administration will provide comment and input to improve efficiency and workflow in terms of calls routed to management.

Risk Analysis:

The Concerned Citizen/Employee Hotline is one of the primary methods to engage residents, the community and also employees in the identification or potential theft, fraud and waste/abuse of City funds and/or assets. Administration relies on Council approved policies, procedures and other controls to manage the risk of theft, fraud and or waste/abuse internally.

Climate Change Risks

N/A.

Financial Matters:

The administrative cost associated with the review of Hotline items is included in the annual agreement with PwC. City management performs investigations and implements corrective actions arising from Hotline calls referred by PwC as part of their day to day responsibilities. Any additional resources or costs for correction actions would be brought to City Councils attention in a timely basis or alternatively as part of the annual operating budget process.

Consultations:

PricewaterhouseCoopers LLP

Conclusion:

All Hotline messages referred to management in 2020 Q4 and 2021 Q1 have been reviewed and have been closed. All issues from previous quarters have also been reviewed and closed.

Planning Act Matters:

N/A

Approvals:

Name	Title
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Name	Title
Marco Aquino	Executive Initiatives Coordinator
Janice Guthrie	On behalf of Chief Financial Officer & City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Christopher O'Connor, Partner, Southwest Ontario Leader, Risk Assurance Services - Pricewaterhouse Coopers LLP	95 King Street South, Suite 201, Waterloo ON N2J 5A2	christopher.w.oconnor@pwc.com

Appendices:

1 Appendix A - Summary Of Hotline Calls Referred To Management: October 1, 2020 To December 31, 2020

2 Appendix B - Summary Of Hotline Calls Referred To Management: January 1, 2021 To March 31, 2021

APPENDIX A

SUMMARY OF HOTLINE CALLS REFERRED TO MANAGEMENT: OCTOBER 1 - DECEMBER 31, 2020

Tracking Number	Date Received from PwC	General Description	Responsible Member of Management	Management Action	Close Date
NTS-1-October-2020	October 7, 2020	Complaint related to garbage collection.	Mark Winterton	This complaint has been referred to the City's 311 system for resolution.	October 7, 2020
NTS-2-October-2020	November 3, 2020	Matter unrelated to the City of Windsor.	Onorio Colucci	No action required.	November 3, 2020
NTS-2-November-2020	December 11, 2020	Caller requesting information related to working indoors in close proximity to another person without proper ventilation during the pandemic.	Valerie Critchley	This request for information has been referred to the City's 311 system.	December 11, 2020
NTS-3-November-2020	December 9, 2020	Anonymous allegation that an individual on Ontario Works may not have provided full disclosure with respect to their file and is also involved in illegal activity	Jelena Payne	Eligibility Review Officer reviewed the file and contacted the client for further information and documentation. Investigation complete leading to the cancellation of OW benefits. Allegation of illegal activity forwarded to Windsor Police Services for investigation.	January 19, 2021
NTS-4-November-2020	December 9, 2020	Allegation that an individual is making changes to his house without a permit.	Shelby Askin Hager	A letter was sent to the property owner advising of the allegations and permit requirements. A visit to the property was made and confirmed that there is no visible evidence from the exterior of the home to suggest that work is being performed. Attempts will continue to be made with the property owner in order to confirm any interior evidence of work being performed without a permit.	December 11, 2020
NTS-2-December-2020	January 12, 2021	Complaint related to the amount of garbage evident along the EC Row Expressway	Jan Wilson	This complaint has been referred to the City's 311 system for resolution.	January 12, 2021
NTS-3-December-2020	January 12, 2021	Call from an individual who is expressing their concern related to a decision made on a matter related to a carport tent in a residential area.	Shelby Askin Hager	Matter forwarded to administration for information.	January 12, 2021
NTS-4-December-2020	January 12, 2021	Complaint related to COVID-19 guidelines and restrictions	Valerie Critchley	This complaint has been referred to the City's 311 system for resolution.	January 12, 2021
NTS-6-December-2020	January 12, 2021	Another allegation related to the one received in NTS-4-November-2020	Shelby Askin Hager	Matter forwarded to administration for review. Attempts will continue to be made with the property owner in order to confirm any interior evidence of work being performed without a permit.	January 12, 2021
NTS-7-December-2020	January 12, 2021	Complaint related to a number of different items on one property (extension to the house, house being run down, unsafe conditions, garbage visible on the property)	Valerie Critchley/ Shelby Askin Hager	This complaint has been referred to the City's 311 system for resolution.	January 12, 2021

APPENDIX B

SUMMARY OF HOTLINE CALLS REFERRED TO MANAGEMENT: JANUARY 1 - MARCH 31, 2021

Tracking Number	Date Received from PwC	General Description	Responsible Member of Management	Management Action	Close Date
NTS-1-January-2021	January 12, 2021	Anonymous complaint related to COVID-19 gathering restrictions and the Police department's handling of the situation.	Onorio Colucci	Matter forwarded to Windsor Police Services for information.	January 12, 2021
NTS-2-January-2021 NTS-3-January-2021	January 12, 2021 February 9, 2021	Call from an individual who would like to bring scenarios of American Civil War involving Windsor/Detroit refugees to the attention of the City of Windsor.	Onorio Colucci	Matter forwarded to Windsor Police Services for further review and investigation	January 13, 2021 February 9, 2021
NTS-1-February-2021	February 9, 2021	Anonymous complaint on a matter unrelated to the City of Windsor	Onorio Colucci	No action required	February 9, 2021
NTS-2-February-2021	February 17, 2021	Request to clarify Planning Department content located within the City's external website.	Shelby Askin Hager	This request has been referred to the City's 311 system for resolution.	February 17, 2021
NTS-3-February-2021	February 19, 2021	Service complaint related to residential garbage pick up.	Mark Winterton	This complaint has been referred to the City's 311 system for resolution.	February 19, 2021
NTS-6-February-2021	March 1, 2021	Call from an individual thanking the Mayor for setting up an emergency shelter at the aquatic centre.	Onorio Colucci	Forwarded to administration for information	March 2, 2021
NTS-1-March-2021	March 15, 2021	Complaint on a matter unrelated to the City of Windsor	Onorio Colucci	No action required	March 16, 2021
NTS-3-March-2021	March 26, 2021	Complaint from an individual who claims that an apartment building located in Windsor is dilapidated and falling apart	Shelby Askin Hager	This complaint has been referred to the City's 311 system for resolution.	March 26, 2021
NTS-4-March-2021	April 5, 2021	Anonymous dirty yard complaint	Valerie Critchley	This complaint has been referred to the City's 311 system for resolution.	April 7, 2021



Council Report: CM 15/2021

Subject: Status Report on Implementation of Audit Recommendations – 2020 Q4 - City Wide

Reference:

Date to Council: June 7, 2021
Author: Marco Aquino
Executive Initiatives Coordinator
519-255-6100 ext 6477
maquino@citywindsor.ca
City Treasurer
Report Date: May 7, 2021
Clerk's File #: AF/11247

To: Mayor and Members of City Council

Recommendation:

THAT City Council **RECEIVE FOR INFORMATION** the Status Report on Implementation of Audit Recommendations as of 2020 Q4 (attached as Appendix A).

Executive Summary:

N/A

Background:

PricewaterhouseCoopers LLP (PwC), as the City's internal audit service provider, has conducted and completed many audit projects during its contracted term, which began in April 2013. The completed projects to date include:

- Governance, Strategic Leadership & Policy Management (June 9, 2014)
- Procurement, Purchasing & Payables (December 15, 2014)
- Manage Information Security (December 15, 2014)
- Transit Windsor (December 15, 2014)
- Your Quick Gateway (YQG) (December 15, 2014)
- Recommend Annual Budgets (July 27, 2015)
- Windsor Detroit Tunnel Corporation (July 27, 2015)
- Windsor Essex Community Housing Corporation (July 27, 2015)
- Manage Changes to Information Systems (July 27, 2015)
- Windsor Public Library (October 26, 2015)
- Manage Infrastructure (January 26, 2016)
- Purchasing Card Review (January 26, 2016)
- Information Technology Governance (January 26, 2016)
- Essex Windsor Solid Waste Authority (January 26, 2016)

- User Fee Review (April 25, 2016)
- Succession Planning Pilot (May 30, 2016)
- Fraud Risk Management (November 28, 2016)
- Enwin Utilities Ltd (November 28, 2016)
- Enwin Energy Ltd (November 28, 2016)
- Windsor Utilities Commission (November 28, 2016)
- Manage the Daily Operations of Service Delivery (May 29, 2017)
- Review of Cash Control Procedures (August 8, 2017)
- Service Provider & Outsourced Services Governance & Management (August 8, 2017)
- Roseland Golf & Curling Club (October 23, 2017)
- Review of Nine BIAs (October 23, 2017)
- Inventory Control and Lifecycle Management (October 23, 2017)
- Tourism Windsor Essex Pelee Island (October 23, 2017)
- Windsor Essex Economic Development Corporation (January 29, 2018)
- Windsor Police Services (June 4, 2018)
- Pollution Control – Preventative Maintenance Compliance & Accountability (August 27, 2018)
- Fleet– Preventative Maintenance Compliance & Accountability (August 27, 2018)
- Fire Rescue Compliance (August 27, 2018)
- YQG - Managing Inventory, Repairs and Maintenance (August 27, 2018)
- Managing Transition of Projects into Operations (November 5, 2018)
- Property Tax Billing and Payment Processing (November 5, 2018)
- Pursuit of Grant Funding (February 4, 2019)
- Facilities Operations (February 4, 2019)
- Social Media Strategy Assessment (February 4, 2019)
- Emergency Response Planning & Preparedness (May 6, 2019)
- CHC Asset Management Housing Portfolio Internal Audit Report (July 29, 2019)
- Life Cycle Costing & Asset Planning Methodology (September 23, 2019)
- Cyber Response Strategy (September 23, 2019)
- HR Recruiting Process & Retention Strategy (September 23, 2019)
- Planning and Development (February 24, 2020)
- VFM: Purchased Services - Winter Road Clearing (May 25, 2020)
- Security Incident Prevention and Mitigation (May 25, 2020)
- Fraud Risk Mitigation Review (Sprint 1 & 2) (December 7, 2020)
- COVID-19 Health & Safety – Reopening of Workplace and Facilities (Sprint 1) (December 7, 2020)

All of the final reports for these projects were received by City Council on the dates indicated in parentheses above. Further, City Council accepted all the audit recommendations for each report and directed administration to proceed with implementation on the approximate schedule identified in the accompanying management action plans. It should be noted that other projects have been completed by PwC and will be reported to City Council on June 7, 2021. Since they have not been formally received by Council, they have not been included in the list above.

On September 23, 2019, by CR 485/2019, City Council approved the establishment of an Independent Auditor General. The approval adopted a fully outsourced Auditor General's Office and appointed a designated person as the Auditor General being Christopher O'Connor, Partner, PricewaterhouseCoopers LLP (PwC). Internal Audit personnel from PwC reports to the Auditor General, and supports the Auditor General in executing the mandates within the City of Windsor Auditor General Charter, approved on January 20, 2020 by CR 35/2020.

Discussion:

Since the beginning of PwC's contract as outsourced internal auditor in April 2013, there have been two hundred sixty-one (261) audit recommendations accepted by City Council, of which administration has successfully implemented two hundred twenty-six (226) of them. A detailed status report for all outstanding audit recommendations is attached as Appendix A and is as of December 31, 2020. As of that date, management is tracking the status of thirty-five (35) audit recommendations, of which twenty-eight (28) audit recommendations are considered open and delayed. Audit recommendations are considered delayed when the original completion date has been retargeted.

Fourteen (14) items have been closed in this recent Management Action Plan Validation review, as PwC has verified that they have been successfully completed. Further information relative to these items is reflected in the current status column in Appendix A.

The management action plans that accompany each PwC audit report establish timelines for the implementation of each item. Given that these timelines are often estimates and other business issues and priorities compete for management attention, it is not unexpected that occasional minor delays will occur. In some cases, a minor delay is preferable to allow the recommendation to be properly and fully implemented with adequate resources.

In light of the COVID-19 pandemic, meeting the targeted timelines have proven to be difficult given that departmental focus has shifted to providing essential services and staff have been pulled to other priority items. As a result, there has been a slight increase of management action plans requiring a retarget date. In an effort to alleviate the number of management actions plans requiring a retarget date, administration will undertake a review of all open and delayed action plans later this year and identify which items are critical with consideration to risk accepting some that are not considered to be as critical. The results of this review will be communicated to City Council in a future report.

Risk Analysis:

The tracking of the implementation status of all audit recommendations was a key risk mitigation strategy for all of the management action plans submitted with each PwC audit report. The Executive Initiatives Coordinator in the Office of the City Treasurer liaises directly with both PwC and the assigned operating department to ensure that the implementation of audit recommendations is kept top of mind and on schedule. PwC

also follows up to verify and test that audit recommendations have been appropriately implemented.

When an audit recommendation is retargeted there is a risk that there is continued exposure to the department or, the recommendation becomes outdated and no longer applicable to the issue or concern and/or, the delay has allowed for adequate resources to be put into place that addresses the concern.

Climate Change Risks

Climate Change Mitigation:

NA

Climate Change Adaptation:

NA

Financial Matters:

Following each audit by PwC and direction from City Council, City management proceeds with the implementation of each recommendation within existing operational budgets. In cases where additional funds may be required, the affected operating department would submit a request to City Council. No additional funding is being requested at this time.

Consultations:

PricewaterhouseCoopers LLP

Conclusion:

City administration monitors the status of all audit recommendations following the acceptance by City Council of each PwC audit report and the direction by Council to proceed with implementation. The management action plan that accompanies each PwC audit report establishes timelines for the implementation for each item, though occasional variances from these timelines occur for a variety of reasons.

Planning Act Matters:

NA

Approvals:

Name	Title
Marco Aquino	Executive Initiatives Coordinator
Janice Guthrie	On behalf of Chief Financial Officer & City Treasurer

Name	Title
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Christopher O'Connor, Partner, Site Leader – Risk Assurance Services, Southwestern Ontario- Pricewaterhouse Coopers LLP	95 King Street South, Suite 201, Waterloo ON N2J 5A2	christopher.w.oconnor@pwc.com
David Deluzio, General Manager, Roseland	455 Kennedy Dr Windsor, ON N9G 1S8	ddeluzio@citywindsor.ca
Jim Steele, CEO, Windsor Essex Community Housing Corporation	945 McDougall Street, Windsor, Ontario, N9A 1L9	info@wechc.com
Mark Galvin Chief Executive Officer YQG Inc. (Windsor International Airport)	3200 County Road 42, Unit 200 Windsor, Ontario N8V 0A1	mgalvin@yqg.ca
Carolyn Brown, CEO- Windsor Detroit Tunnel Corporation	350 City Hall Square West - Suite 520, Windsor, ON N9A 6S1	cbrown@citywindsor.ca

Appendices:

1 APPENDIX A - City of Windsor Audit Recommendation Tracking Summary -
December 31, 2020

APPENDIX A - City of Windsor Audit Recommendation Tracking Summary - December 31, 2020

Finding #	Recommendation/Topic	CLT Member Responsible	Assigned to	Audit Report/Source	Audit Unit/Firm	Date Issued	Target Date for Implementation	Current Status (as of December 31, 2020)	Additional Comments
51a	Documented strategic plan	WDTC Chief Executive Officer	WDTC Chief Executive Officer	WDTC	PwC	July 27, 2015	2016 Q4	Item retargeted to 2021 Q4	In 2020, WDBL's shifted its primary focus to maintaining the viability of its operations during the ongoing border restrictions and to implementing various initiatives to get through the crisis created by the pandemic
51b	Evidence of Board review and approval	WDTC Chief Executive Officer	WDTC Chief Executive Officer	WDTC	PwC	July 27, 2015	2016 Q4	Item retargeted to 2021 Q4	See description in 51a
101	Evidence of contract review with the County of Essex to consider: a) Outlining oversight responsibilities, contract ownership and expectations regarding Blue Box collection, and b) Flow through of expenses from the City to the Authority and the terms of the other shared finance services provided by the City.	Chief Administrative Officer	Chief Administrative Officer	EWSWA	PwC	January 26, 2016	2016 Q2	Item retargeted to 2021 Q2	
159	Develop a procedure around the use of the VMS in accordance with the Purchasing By-Law 93-2012.	City Solicitor	Purchasing Department	Service Provider and Outsourced Services Governance and Management	PwC	August 8, 2017	2018 Q2	Item retargeted to 2021 Q1	
165	Document a reporting and services agreement between the City & RGCC	GM, Roseland	GM, Roseland	Roseland Golf & Curling Club	PwC	October 23, 2017	2018 Q2	Item retargeted to 2021 Q3	
166	Define and document strategic plan	GM, Roseland	GM, Roseland	Roseland Golf & Curling Club	PwC	October 23, 2017	2018 Q4	Closed	
167	Update policy manual	GM, Roseland	GM, Roseland	Roseland Golf & Curling Club	PwC	October 23, 2017	2018 Q3	Closed	
200	Enhance annual training planning and documentation for monitoring	City Solicitor	Chief Training Officer	Fire Rescue Compliance	PwC	August 27, 2018	2020 Q2	Item retargeted to 2021 Q4	
205	Enhance purchasing policy and document inventory and asset management procedures	CEO - Your Quick Gateway	YQG - Director of Operations	YQG - Managing Inventory, Repairs and Maintenance	PwC	August 27, 2018	2019 Q2	Item retargeted to 2021 Q4	
206	Review and document current inventory/asset management systems and processes	CEO - Your Quick Gateway	YQG - Director of Operations	YQG - Managing Inventory, Repairs and Maintenance	PwC	August 27, 2018	2019 Q1	Item retargeted to 2021 Q4	
207	Enhance key vendor management controls	CEO - Your Quick Gateway	YQG - Director of Finance	YQG - Managing Inventory, Repairs and Maintenance	PwC	August 27, 2018	2018 Q4	Item retargeted to 2021 Q4	
209	Enhance compensating controls to address potential segregation of duties	CEO - Your Quick Gateway	YQG - Director of Finance	YQG - Managing Inventory, Repairs and Maintenance	PwC	August 27, 2018	2018 Q4	Item retargeted to 2021 Q4	
211	Enhance project classification and expectation guidelines	CAO - City of Windsor	Executive Initiatives Coordinator - CAO's Office	Managing Transition of Projects into Operations	PwC	November 5, 2018	2019 Q3	Item retargeted to 2022 Q4	Resource assigned to this recommendation has been seconded to the WFM project.
212	Enhance considerations for project risk assessments	CAO - City of Windsor	Executive Initiatives Coordinator - CAO's Office	Managing Transition of Projects into Operations	PwC	November 5, 2018	2019 Q3	Item retargeted to 2022 Q4	See description in 211
213	Formalize detailed Project Implementation Plan	CAO - City of Windsor	Executive Initiatives Coordinator - CAO's Office	Managing Transition of Projects into Operations	PwC	November 5, 2018	2019 Q3	Item retargeted to 2022 Q4	See description in 211
214	Enhance approach to pre/post go-live feedback collection and aggregation	CAO - City of Windsor	Executive Initiatives Coordinator - CAO's Office	Managing Transition of Projects into Operations	PwC	November 5, 2018	2019 Q3	Item retargeted to 2022 Q4	See description in 211
218a	Define service standards and metrics to evaluate performance	CLT-Parks, Facilities, Recreation & Culture	Senior Manager, Facilities	Facilities Operations	PwC	February 4, 2019	2020 Q2	Item retargeted to 2021 Q2	Unforeseen circumstances and the current pandemic have caused a delay to the timelines and therefore a retarget is required.
218b	Review of priorities assigned to work orders	CLT-Parks, Facilities, Recreation & Culture	Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.

APPENDIX A - City of Windsor Audit Recommendation Tracking Summary - December 31, 2020

Finding #	Recommendation/Topic	CLT Member Responsible	Assigned to	Audit Report/Source	Audit Unit/Firm	Date Issued	Target Date for Implementation	Current Status (as of December 31, 2020)	Additional Comments
218c	Establish goals and targets, and develop metrics to assist in measuring and evaluating progress towards goals.	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects	Facilities Operations	PwC	February 4, 2019	2020 Q4	Item retargeted to 2021 Q2	See description in item 218a.
218d	Establish service level agreements/statements to define the expectations	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects and Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2020 Q4	Item retargeted to 2021 Q2	See description in item 218a.
219	Enhance Management Discussions	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects and Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.
220a	Develop a formal template of criteria for pursuing/not pursuing capital work.	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects and Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.
220b	Define clear 'documentation' standard and develop standard forms/templates	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects and Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2021 Q4	On target for 2021 Q4	
220c	Documentation of training and that training material & records are centrally located.	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects	Facilities Operations	PwC	February 4, 2019	2019 Q2	Item retargeted to 2021 Q2	See description in item 218a.
221	Periodic WO Aging Analysis	CLT-Parks, Facilities, Recreation & Culture	Manager, Assets & Projects and Manager, Facility Operations	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.
222	Design and implement Customer Satisfaction Survey	CLT-Parks, Facilities, Recreation & Culture	Senior Manager, Facilities	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.
223	Track Conditions and Building Condition Assessments (BCA) periodically	CLT-Parks, Facilities, Recreation & Culture	Senior Manager, Facilities	Facilities Operations	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q2	See description in item 218a.
225	Enhance formal oversight controls over SM policies / procedures and governance	City Clerk	Senior Manager Communications & Customer Service	Social Media Strategy Assessment	PwC	February 4, 2019	2020 Q4	Closed	
226	Define and implement strategy evaluation and performance reporting processes	City Clerk	Senior Manager Communications & Customer Service	Social Media Strategy Assessment	PwC	February 4, 2019	2020 Q4	Item retargeted to 2021 Q4	
229	Document key content management procedures/checklists and review/update key account level roles/responsibilities.	City Clerk	Senior Manager Communications & Customer Service	Social Media Strategy Assessment	PwC	February 4, 2019	2019 Q4	Item retargeted to 2021 Q1	
235	Present phase 2 regeneration plan prior to assigning accountabilities for SAMP goals and objectives	WECHC Chief Executive Officer	WECHC - Chief Development and Regeneration Officer	CHC - Asset Management Housing Portfolio	PwC	July 29, 2019	2020 Q4	Closed	
236	Update LTAM Policy with approved FCI target and outline requirements for review/ approval when changes are required to FCI into a procedure/guideline	WECHC Chief Executive Officer	WECHC - Director of Asset Management	CHC - Asset Management Housing Portfolio	PwC	July 29, 2019	2020 Q1	Closed	
239	Formalize Incident Management Plan and Procedures	Chief Financial Officer	Executive Director Information Technology	Cyber Response Strategy Assessment	PwC	September 23, 2019	2020 Q4	Item retargeted to 2021 Q4	
240	Enhance Security Information and Event Management	Chief Financial Officer	Executive Director Information Technology	Cyber Response Strategy Assessment	PwC	September 23, 2019	2020 Q4	Item retargeted to 2022 Q1	
241	Develop Incident Severity Matrix and Methodology for Incident Response Times using Critical Asset Classification.	Chief Financial Officer	Executive Director Information Technology	Cyber Response Strategy Assessment	PwC	September 23, 2019	2021 Q1	In Progress	
242	Formalize Incident Response Tabletop Exercises	Chief Financial Officer	Executive Director Information Technology	Cyber Response Strategy Assessment	PwC	September 23, 2019	2020 Q2	Closed	
243	Develop Working Procedures for Planning and Development Application Processing	City Solicitor	City Planner	Planning and Development	PwC	February 24, 2020	2020 Q3	Item retargeted to 2021 Q4	
244	Review and Prioritize Action Plan Implementation of 2014 Business Process Review Findings	City Solicitor	City Planner	Planning and Development	PwC	February 24, 2020	2020 Q4	Item retargeted to 2021 Q4	

APPENDIX A - City of Windsor Audit Recommendation Tracking Summary - December 31, 2020

Finding #	Recommendation/Topic	CLT Member Responsible	Assigned to	Audit Report/Source	Audit Unit/Firm	Date Issued	Target Date for Implementation	Current Status (as of December 31, 2020)	Additional Comments
245	Consideration to make disclosure to citizens clear and concise.	City Engineer	Coordinator, Right of Way & Field Services	Hotline Investigation Report - NTS-003-SEP-2019	PwC	February 24, 2020	2020 Q4	Closed	
246	Document formal agreement for restoration arrangement with CHAA	CLT-Parks, Facilities, Recreation & Culture	Executive Director of Recreation and Culture	Complaint Investigation Report - Lancaster Plane	Auditor General	February 24, 2020	2020 Q4	Closed	
247	Ensure contract compliance by retention of relevant documentation	CLT-Parks, Facilities, Recreation & Culture	Director of Finance, YQG	Complaint Investigation Report - Lancaster Plane	Auditor General	February 24, 2020	2020 Q4	Item retargeted to 2021 Q4	
248	Establish control to independently review the payment certificate calculation template	City Engineer	Contract Co-ordinator	VFM Purchased Services Winter Road Clearing	PwC	May 25, 2020	2020 Q4	Closed	
249	Leverage existing real time GPS records to improve vendor performance monitoring	City Engineer	Maintenance Co-ordinator	VFM Purchased Services Winter Road Clearing	PwC	May 25, 2020	2020 Q4	Closed	
250	Formally amend contract terms to minimize risk of potential contract dispute	City Engineer	Contract Co-ordinator	VFM Purchased Services Winter Road Clearing	PwC	May 25, 2020	2020 Q4	Closed	
251	Establish protocols for joint ownership of security policies and monitoring controls	Commissioner - Parks, Recreation, Culture & Corporate Facilities	Senior Manager, Facilities	Security Incident Prevention and Mitigation	PwC	May 25, 2020	2021 Q4	Management action plan dependent on City Council direction related to the Corporate Security Plan and Risk Assessment.	
252	Define responsibilities to monitor contractual requirements	Commissioner - Parks, Recreation, Culture & Corporate Facilities	Senior Manager, Facilities	Security Incident Prevention and Mitigation	PwC	May 25, 2020	2022 Q4	Refer to description in #251	
253	Confidential action plan	Commissioner - Parks, Recreation, Culture & Corporate Facilities	Senior Manager, Facilities	Security Incident Prevention and Mitigation	PwC	May 25, 2020	2021 Q4	Refer to description in #251	
254	Enhance protocols for managing and documenting dynamic security plans	Commissioner - Parks, Recreation, Culture & Corporate Facilities	Senior Manager, Facilities	Security Incident Prevention and Mitigation	PwC	May 25, 2020	2021 Q4	Refer to description in #251	
255	Formalize evidence of ongoing flexible/alternative work arrangements	City Clerk	Executive Director, Human Resources	Hotline investigation report - NTS 005 - FEB - 2020	PwC	May 25, 2020	2021 Q1	Item retargeted to 2021 Q2	
256	Formalize central insight into all flexible/alternative agreements in effect	City Clerk	Executive Director, Human Resources	Hotline investigation report - NTS 005 - FEB - 2020	PwC	May 25, 2020	2021 Q1	Item retargeted to 2021 Q2	
257	Conduct independent spot checks of positive pay exceptions to ensure the preventative controls operate as intended given the nature of access privileges and approval evidence.	Chief Financial Officer	Deputy Treasurer - Financial Accounting	Fraud Risk Mitigation Review	PwC	December 7, 2020	2020 Q4	Closed	
258	Explore automating repeatable task elements (RPA - robotic process automation) related to AP query and payment release activities to improve efficiency.	Chief Financial Officer	Deputy Treasurer - Financial Accounting	Fraud Risk Mitigation Review	PwC	December 7, 2020	2020 Q4	Closed	
259	Enhance fraud investigation minimum guidelines and summary adherence therewith for individual investigation efforts.	Chief Financial Officer	Deputy Treasurer - Financial Accounting	Fraud Risk Mitigation Review	PwC	December 7, 2020	2020 Q4	Closed	
260	Ensure alignment of unique record identifier for vendor change records and implement a detective/monitoring control over the process	Chief Financial Officer	Deputy Treasurer - Financial Accounting	Fraud Risk Mitigation Review	PwC	December 7, 2020	2021 Q1	In Progress	
261	Document categorization of opening protocols between required/desired and risk accepted alternatives for future plans	City Clerk	Executive Director, Human Resources	Covid-19 Health & Safety - Reopening of Workplace and Facilities	PwC	December 7, 2020	2021 Q1	In Progress	

PwC VERIFIED COMPLETION

OPEN AND DELAYED



Council Report: C 74/2021

Subject: Regional Food and Organic Waste and Biosolids Processing Project Update - City Wide

Reference:

Date to Council: June 7, 2021

Author: Stacey McGuire
Project Administrator (now Manager of Arenas & Rec Facilities)
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Projects & Right-of-Way

AND

Tracy Beadow
Project Administrator
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Projects & Right-of-Way

Report Date: May 20, 2021
Clerk's File #: SW/13940

To: Mayor and Members of City Council

Recommendation:

THAT Council **RECIEVE FOR INFORMATION** the report titled "Organics and Biosolids Waste Management and Processing Project, Phase 1 – Consulting and Project Direction Analysis and Recommendations, GHD Limited, dated April 28, 2021".

Executive Summary: N/A

Background:

The Province of Ontario has enacted a Food and Organic Waste Policy Statement pursuant to Section 11 of the 2016 Resource Recovery and Circular Economy Act (collectively "The Organics Provincial Policy Statement" or "OPPS"). The OPPS will require some municipalities in Essex-Windsor to achieve specific reduction and recovery targets related to food and organic waste by 2025 as follows:

- **City of Windsor** – Provide curbside collection of food and organic waste to single family dwellings in an urban settlement area and to achieve target rate of reduction of 70%

- **Amherstburg, LaSalle, Leamington and Tecumseh** – Provide collection (through a public drop-off depot, subsidized home-composters or community composting area or through curbside collection) of food and organic waste to single family dwellings in an urban settlement area and to achieve a target rate of reduction of 50%
- **Essex, Kingsville and Lakeshore** – Not required to achieve specific rates of reduction for food and organic waste based on their population and population densities

On May 18, 1994, the City of Windsor and County of Essex entered into an agreement pertaining to the creation of the Essex-Windsor Solid Waste Management Authority (EWSWA), a joint board of management to operate and manage aspects of waste management and service in the City and County.

The OPPS states that municipalities and other planning authorities are encouraged to pursue regional approaches to address food and organic waste resource recovery capacity needs, including supporting resource recovery systems that build economies of scale for food and organic waste processing.

In response to the OPPS requirements, the EWSWA Board provided direction on October 6, 2020 for the development and implementation of a Regional Food and Organic Waste Management Plan. The City of Windsor, in partnership with EWSWA and the County of Essex created an Oversight Committee for the oversight of Phase I of the Organics and Biosolids Waste Management and Processing Project (“the Project”).

The Project is further considering the inclusion of biosolids from wastewater treatment to address upgrades anticipated at the Windsor Biosolids Processing Facility (WBPF) to align with the recommendations of the City’s Integrated Site Energy Master Plan. The WBPF is operated under an existing service contract that will expire in 2029 with options to extend the contract life. Based on population growth, the City anticipates that the WBPF will reach its design capacity by 2030.

The City hired GHD Limited (GHD) as the environmental consultant for Phase 1 of the Project through Council Resolution CR506/2020 (attached as Schedule “A”). With input from the Food and Organics Waste and Biosolids Technical Working Group and Oversight Committee as well as stakeholder consultation, GHD produced a report titled “Organics and Biosolids Waste Management and Processing Project, Phase 1 – Consulting and Project Direction Analysis and Recommendations, GHD Limited, dated April 28, 2021” (the GHD Report).

To date, the following project milestones have been achieved:

- August 14, 2020 – City issued an Expression of Interest to find potential partnerships
- October 6, 2020 – EWSWA approved development and implementation of a Regional Food and Organics Waste Management Plan and working group
- November 17, 2020 – Technical working group formed
- November 24, 2020 – GHD hired as consultant
- December 1, 2020 – EWSWA endorsed project charter
- December 9, 2020 – Technical working group introduced the project at the County of Essex, City of Windsor, Township of Pelee Island & Municipality of Chatham-Kent (EWPC) Chief Administrative Officer (CAO) meeting for information

- January, 2021 – Stakeholder meetings (Essex County municipalities, Toronto, London, Chatham-Kent, Lambton, Sarnia, Association of Municipalities of Ontario, Essex Region Conservation Authority)
- February, 2021 – Virtual tours by Expression of Interest respondents
- March 2, 2021 – EWSWA endorsed project direction and goals
- March 16, 2021 – Oversight Committee endorsed the evaluation criteria and shortlist of alternatives
- April 28, 2021 – the GHD Report issued
- April 30, 2021 – EWPCCK CAO Meeting – findings of the GHD Report presented

On May 4, 2021, Administration presented the GHD Report along with a PowerPoint presentation summarizing the status of the Project and next steps to the EWSWA Board for information. The EWSWA Board requested the Oversight Committee provide a detailed outline of project recommendations be brought back to the June 1, 2021 meeting for consideration with final direction to be provided during the July 6, 2021 meeting.

Discussion:

The GHD report (Schedule “B”) and a project update presentation from Administration (Schedule “C”) have been appended to this report to provide additional information in support of the Project.

The following sections provide some further information on consultations and proposed next steps.

Jurisdictional Review

The Technical Working Group met with other regional municipalities and counties in Southwestern Ontario and GHD performed a jurisdictional scan of municipalities across Canada to determine what organics processing options are in use currently. The following summarizes the findings of this review:

- **Chatham-Kent** – Currently has no legislative requirement to collect organics curbside and no plans to build a facility.
- **London** – Implementing curbside collection of organics in the fall of 2021 and will send the collected materials to a third party for processing in the short term (5-7 years) while they pursue a longer term solution.
- **Lambton County/Sarnia** – Most of the lower tier municipalities will not require curbside collection with the exception of Sarnia which has been approached by potential partners and recently sold property to a third party vendor for the purpose of building a private anaerobic digestion facility. Sarnia may pursue a service contract to dispose of their organic waste at that or another facility but this has not been decided at this time.
- **Toronto** – Leads the Province, implementing organics curbside collection in 2002 and currently operating 2 wet anaerobic digestion facilities within the City limits producing renewable natural gas and compost.

- **Durham** – In the planning stages to add a mixed waste processing facility and anaerobic digester to their thermal treatment plan to produce biogas which will be upgraded to renewable natural gas. This will be the first system of its kind in North America.
- **Guelph** – Upgraded their existing outdoor composting operation to an enclosed composting system which functions as a regional organics treatment hub accepting local waste from Guelph and Waterloo.
- **Stratford** – Currently constructing a food waste Co-digestion facility at the Stratford Wastewater Pollution Control Plant to produce Class A biosolids suitable for land application and biogas which will be upgraded to renewable natural gas. This will be one of the first co-digestion projects in Ontario.
- **Surrey, BC** – Operating a facility since 2018 using an anaerobic digester followed by enclosed aerated static pile compost tunnels producing a biogas which is refined to a renewable natural gas and injected into the pipeline.
- **Edmonton** – Host a network of facilities next to landfill which work together to maximize the effectiveness of the system. The system includes a private waste to biofuel facility, biosolids and food waste co-composting, outdoor leaf and yard waste composting, mixed waste processing and anaerobic digester. The facilities produce both biogas and compost.
- **Calgary** – Largest aerated static pile in-vessel system composting facility in Canada operating since 2017 processing both organics and biosolids to produce a nutrient rich compost.
- **Halifax** – Currently in the process of procuring a solution to replace its two existing organics composting facilities which have been in operation for 20 years
- **Saint-Hyacinthe** – One of the first cities in Canada to recover its organic materials by co-digestion at a wastewater treatment facility in 2015. The renewable natural gas produced by anaerobic digestion is used to supply its fleet and heat its buildings with surplus being sold to a natural gas company.

Participation in the Project

The OPPS sets out the legislative requirements of municipalities based on population and population density. As noted above, not all municipalities in Essex County are required to participate in the Project regardless of the regional approach being taken.

However, it is important to note that development and growth of municipalities may affect their requirements under the OPPS. Additionally, the Made in Ontario Plan includes a plan for a Provincial ban on organics in landfills and the date being considered is 2030 for implementation. If this occurs, municipalities may be required to divert their food and organic waste regardless.

Alternatives Development and Evaluation

GHD conducted interactive workshops with three separate stakeholder groups; the Technical Working Group, Oversight Committee and municipal representatives from Windsor and the 7 County municipalities. These workshops aimed to answer the

question “What would a good project outcome look like?” by identifying and ranking project goals.

The results of these workshops were used to establish criteria by which project alternatives could be evaluated. These criteria included, but were not limited to:

- Economic/Operational Criteria
 - Net present value of project lifecycle costs and revenues
 - Site expansion potential
 - Technology expansion potential
- Environmental Criteria
 - Greenhouse gas benefits
 - Additional diversion from landfill
 - Recovered product quality
- Social Criteria
 - Community impact – odour, traffic, pests, appearance and other nuisance

Consultations with the Ministry of Environment, Conservation and Parks (MECP) were held May 19 & 21, 2021 to discuss the release of guidance documents outlining technology best practices in the fall of 2021. Both composting and Anaerobic Digestion (AD) have been verified by the MECP to be viable technology options that meet the objectives of the OPPS.

The Regional Food and Organics Technical Working Group met with potential partners proposing alternative technologies, namely BioDryer and Syngas technologies. The current OPPS states the diversion targets cannot be achieved through the use of food and organic waste to generate alternative fuels or energy from waste without the concurrent recovery of nutrients. The MECP noted a desire to see the end product of the organic processing facility to go to the most beneficial end use. For the reasons above, Biodryer and Syngas technologies were eliminated from the shortlist of alternatives to be considered in the GHD Report.

A list of 14 most viable alternatives was developed which were anticipated to score highly based on the evaluation criteria established. The alternatives generally include:

- Service contract or new build
- Site – Lands adjacent to the regional landfill, transfer station 1, WBPF lands or a site provided by proponent
- Compost and anaerobic digestion
- Minimum vs. additional feedstock sources

The preferred alternatives identified in the GHD Report include composting or anaerobic digestion at County owned lands adjacent to the regional landfill or anaerobic digestion at lands adjacent to the WBPF.

The GHD Report provides the results of the evaluation of these alternatives in detail. At this time, Administration is providing this information to the City of Windsor Council in advance of any requests for direction related to the Project, such requests to come at a later date based on EWSWA Board recommendations and direction from the 7 County municipalities.

Treatment and Processing of Sewage Sludge (Biosolids)

Presently, sewage biosolids from the Lou Romano Water Reclamation Plant and the Little River Pollution Control Plant are dewatered on-site and transported to the WBPF site. WBPF heat dries and pelletizes the biosolids to produce a Class A fertilizer bio-product. Under the contract this Class A fertilizer is then marketed by the Operator to agricultural operations.

As noted in the Background section, the existing WBPF operations contract will expire and the WBPF will reach its design capacity in less than 10 years. Opportunities to increase capacity for biosolids processing include either WBPF plant expansion or the implementation of anaerobic digestion. Through the anaerobic digestion process, biosolids volume is reduced which may allow the WBPF to operate beyond 2030 without capacity increase.

The Project is considering the inclusion of sludge from wastewater treatment as a potential feedstock source for the following reasons:

- Complements wastewater capital planning for the City (expiration of existing contract, plant expansion) and provides additional options for biosolids processing in the future
- Supports the recommendations of the City's Integrated Site Energy Master Plan, submitted by Stantec Consulting Ltd., January 31, 2020. The production of a biogas could be used to displace some of the natural gas consumption at WBPF which uses significant amounts of natural gas to dry Windsor's biosolids
- Addresses potential future wastewater sludge management needs of other Essex County municipalities (Lakeshore, Essex, Kingsville, Amherstburg, Leamington)
- Section 6.16 of the OPPS encourages municipalities to plan for the management and beneficial use of biosolids, including considering new and enhanced biosolids processing technologies and co-management practices that support volume minimization and nutrient recovery

The decision to include or exclude biosolids in the minimum feedstock will depend largely on the site chosen for organics processing. If a new food and organic waste processing facility is constructed at the WBPF or an appropriate site in Windsor supplied through a procurement process by a bidder, co-processing of Windsor's biosolids with the food and organic waste should be considered. Additional odour control measures and/or architectural features should be considered if the site chosen is in close proximity to the new Gordie Howe International Bridge Port of Entry (e.g. WBPF) to support the theme of the area as a gateway to Windsor from the United States.

For sites outside the City of Windsor limits, including lands adjacent to the regional landfill, inclusion of biosolids would likely not provide the same benefits.

It is important to note that if a solution proceeds that does not include co-digesting of biosolids with the food and organic waste then the City of Windsor must initiate a separate capital project to address the capacity needs of the WBPF. Council Resolution CR506/2020 approved the transfer of the balance in project 7161018 (Biosolids Disposal Strategies) to the Project. This amount could be used to fund a feasibility study for a separate biosolids solution if required. There is some urgency related to the time required to obtain environmental approvals, procurement and construction of such a capital project.

Next Steps

As noted previously, the EWSWA Board requested the Oversight Committee provide a detailed outline of project recommendations be brought back to the June 1, 2021 meeting for consideration with final direction to be provided during the July 6, 2021 meeting. This EWSWA Board report will provide a more detailed discussion on available technologies, costing estimates for each municipality taking into account impacts from diversion on the existing landfill costs and potential collection costs and other factors that contribute to the proposed recommendations.

In order to move the project forward, the next steps are to initiate planning and procurement for the preferred alternative(s). Some decisions need to be made before these next steps can be initiated, namely determination of:

- Which municipalities will contribute feedstock (source separated organics and/or biosolids from wastewater treatment facilities) to the new facility operations, and at what point
- Whether the project should require the production of a renewable energy by-product (further information is provided in the presentation appended as Schedule "C")

Input and direction is required from the EWSWA Board and the 7 County municipalities. Understanding the complexity of the project and the effort necessary to obtain direction from each municipal Council, Administration and GHD intend to provide support to each municipality by providing standardized reports and presentations if requested.

The expected timeline for next steps is summarized below:

- June 1, 2021 – Oversight Committee to provide project recommendations for EWSWA Board consideration (to be noted and filed)
- July 6, 2021 – EWSWA Board to provide direction for the project based on the recommendations filed at the June 1, 2021 meeting
- July - September, 2021 – The 7 County municipalities report to their respective Councils for direction on whether or not they will participate in the regional solution in the initial phase of operations

- September 30, 2021 – Deadline for municipalities to opt into the Regional Food and Organics project at the onset of the project
- October, 2021 – Administration to report back to City of Windsor Council for direction based on the results of the above

Risk Analysis:

Risks Associated with Changes to Legislation: The Ministry to Environment, Conservation and Parks (MECP) is currently developing a guidance document related to the OPPS but it is not anticipated to be released until the summer or fall of 2021. The guidance document would define industry best practices and tools to help municipalities meet their targets set out in the OPPS.

As a result, there is a risk associated with moving forward with procurement of a new facility quickly without the benefit of the guidance document, however there is no indication that the legislative targets or 2025 deadline will be extended. Administration is in contact with the MECP and will continue to work closely with them as the Project progresses to ensure the Project is supported by the MECP and the guidance document as it is developed.

Timing Risks: There is a significant timing and compliance risk associated with failure to proceed expeditiously with this project. Legislation mandates that the City provide curbside collection of food and organic waste by 2025. Administration has conservatively interpreted the OPPS deadline to mean a new processing facility must be built, commissioned and ready to accept feedstock from curbside collection or depot programs as early as January 1, 2025. The GHD Report notes that planning, design and construction of a new facility can take from four to six years.

At this time there are no orders or fines associated with failure to meet the 2025 deadline, however municipalities could be required to provide reporting to prove consistency and compliance with the OPPS direction.

Uncertainty Risks Related to Procurement: It is critical that the minimum feedstock and preferred technology options for a new facility be established as soon as possible in order to effectively proceed with procurement. Generally, the more uncertainty there is in the procurement process the larger the premium will be paid by the owner, as the bidder must accept additional risks. For this reason, it is not advisable to proceed to procurement without a firm commitment from the municipalities about their participation.

Climate Change Risks

Climate Change Mitigation:

Developing a biosolids and organics strategy has been outlined as a Priority Action in the Acceleration of Climate Change Actions in response to the Climate Change Emergency Declaration. Depending on the technology selected, significant emissions reduction is possible.

Climate Change Adaptation:

The review of any technology or site selection through a future procurement process shall include an assessment of possible climate change impacts that may affect ongoing operations of such a facility (e.g. flooding risk).

Financial Matters:

The GHD Report and the presentation appended as Schedule “C” provide some high level net present value costs of the shortlisted alternatives over a 20 year project life. These estimates were developed to evaluate the various alternatives and will need to be further refined based on the project direction and level of municipal participation, which will be the subject of future reports. This information is being presented to provide Council with a high-level, estimated order of magnitude of the cost of each potential option and is based on a number of assumptions, estimates and projections that will be reviewed and confirmed as the process for implementing an Organics solution continues to be developed.

CR506/2020 directed administration to pursue funding from EWSWA to partially offset the costs of consulting services related to Organics and Biosolids waste management and processing. 85% of the costs for engineering consulting and City of Windsor Project Management for phase 1 of the Project are being reimbursed by EWSWA in keeping with CR506/2020. The remaining 15% are considered to be attributable to the biosolids portion of the Project, which is being funded entirely by the City at this time.

The recommendation of this report does not require any financial commitment.

Consultations:

Anne-Marie Albidone, Manager of Environmental Services

Alex Vucinic, Purchasing Manager

Carrie McCrindle, Financial Planning Administrator

Natasha Gabbana, Manager of Performance Measurements & Business Case Development

Karina Richters, Supervisor of Environmental Sustainability & Climate change

Wira Vendrasco, Manager of Legal and Real Estate / Deputy City Solicitor

Conclusion:

The above project update and attached supporting documentation has been provided for information only. A further update will be provided following the September 30, 2021 deadline for municipalities to opt into the Regional Food and Organics project.

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Planning Act Matters:

N/A

Approvals:

Name	Title
France Isabelle-Tunks	Senior Manager of Engineering / Deputy City Engineer
Dwayne Dawson	Executive Director of Operations/Deputy City Engineer
Jake Renaud	Senior Manager of Pollution Control / Deputy City Engineer
Mark Winterton	City Engineer
Shelby Askin Hager	City Solicitor
Janice Guthrie	On behalf of Chief Financial Officer/City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:

Schedule "A" – Council Resolution CR506/2020

Schedule "B" – Final GHD Report titled "Organics and Biosolids Waste Management and Processing Project, Phase 1 – Consulting and Project Direction Analysis and Recommendations, GHD Limited, dated April 28, 2021"

Schedule "C" – Regional Food, Organics and Biosolids Waste Processing Presentation

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**City Council
Decision
Monday, October 19, 2020**

Moved by: Councillor Holt
Seconded by: Councillor Sleiman

Decision Number: CR506/2020

- I. That **APPROVAL BE GIVEN** to enter into an agreement with GHD Limited for the provisions of consulting services related to Organics and Biosolids waste management and processing in the amount of \$132,500 plus applicable taxes and that the Chief Administrative Officer and the City Clerk **BE AUTHORIZED** to sign the agreement with GHD Limited, satisfactory in form to the City Solicitor, in technical content to the City Engineer and in financial content to the City Treasurer; and,
- II. That Council **APPROVE** the funding for preliminary consulting services and internal project management with the balance being applied to additional future study costs from the following funding sources:
 - a) That \$100,000 in 2021 funding, previously approved in principle in the 2020 8-year Capital Plan, **BE PRECOMMITTED** to project 7184005 (Food and Organic Waste Study) from project OPS-006-19 (Food and Organic Waste Collection and Treatment); and,
 - b) That \$100,000 **BE TRANSFERRED** from the Landfill #3 Perpetual Care Reserve (account #1790) to project 7184005 (OPS-006-19); and,
 - c) That the balance in project 7161018 (Bio-Solids Disposal Strategies) **BE TRANSFERRED** to project 7184005 (OPS-006-19) and project 7161018 **BE CLOSED**; and,
- III. That Council **DIRECT** Administration to pursue funding from the Essex Windsor Solid Waste Authority to partially offset the costs of the consulting services related to Organics and Biosolids waste management and processing.

Carried.

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Report Number: C 194/2020

Clerk's File: SW/13940 8.2

Steve Vlachodimos

Deputy City Clerk/Senior Manager of Council Services

October 23, 2020

Department Distribution

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France Isabelle-Tunks	Senior Manager of Engineering / Deputy City Engineer
Dwayne Dawson	Executive Director of Operations / Deputy City Engineer
Mark Winterton	City Engineer
Shelby Askin Hager	City Solicitor
Joe Mancina	Chief Financial Officer / City Treasurer
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Organics and Biosolids Waste Management and Processing Project

Phase 1 – Consulting and Project Direction Analysis and Recommendations

Client: City of Windsor
Partners: Essex-Windsor
Solid Waste Authority,
County of Essex





Executive Summary

The City of Windsor (City), the Essex-Windsor Solid Waste Authority (EWSWA) and the County of Essex (County) agreed, in October 2020, to pursue the development and implementation of a Regional Food and Organic Waste Management Plan (Regional Plan) as an outcome from a new Organic and Biosolids Waste Management and Processing Project (Project). The City, EWSWA and the County are collectively referred to as the “Regional Partners” for the purposes of the Project.

The primary impetus for the Project was compliance with Ontario’s Food and Organic Waste Policy Statement pursuant to Section 11 of the 2016 Resource Recovery and Circular Economy Act (collectively the “Organics Provincial Policy Statement” or “OPPS”), which required a number of municipalities in Essex-Windsor to achieve specific food and organic waste reduction and recovery target rates by 2025, namely:

- **City of Windsor:** provide curbside collection of food and organic waste and achieve target reduction rate of 70 percent for single family residential buildings.
- **Tecumseh, Amherstburg, LaSalle, and Leamington:** provide collection, not necessarily curbside collection, of food and organic waste to single family dwellings and achieve a target reduction rate of 50 percent.
- **Kingsville, Essex and Lakeshore:** not required to achieve specific reduction rate for food and organic waste; this may change as the population and population density increases in the future.
- Additionally, multi-residential buildings and some institutional, commercial, and industrial (ICI) establishments are mandated to achieve 50 percent diversion. This is not the municipalities’ responsibility.

The Project considered the inclusion of sludge from wastewater treatment and landfill gas from the Essex-Windsor Regional Landfill. Landfill gas is currently captured and flared; but could be upgraded alongside biogas generated from the food and organic waste to generate additional renewable energy. Incorporating wastewater sludges would be intended to complement wastewater capital planning for the City, recommendations of the City’s Integrated Site Energy Master Plan, potential future wastewater sludge management needs of other Essex County municipalities, and the Organics Provincial Policy Statement that encourages Municipalities to plan for the management and beneficial use of biosolids. The City and County also have internal climate action and energy goals which could benefit from including wastewater sludge and/or landfill gas.

The Regional Plan was developed in a collaborative and consultative manner with active participation and input from the Regional Partners and County municipalities through regular technical meetings and facilitated virtual workshops utilizing digital collaboration tools to engage with stakeholders effectively. The Regional Plan was developed in the following broad steps:

1. **Evaluation Criteria:** the methodology and criteria for evaluating options were established to ensure that scenarios and pathways considered in this study would result in a solution that met the objectives and expectations of the Regional Partners. A key deliberation point was the trade-off between cost effective waste diversion and cost effectively achieving other climate



targets. These evaluation criteria were used to evaluate the options short-listed through a stop-light analysis from an initial long-list of options. The evaluation criteria developed are summarized in the following table.

Item	Criterion Description	Weight
A	Additional net GHG benefits (tonnes of carbon dioxide equivalent per year attributable to Project over those associated with mandated minimum)	18
B	Additional diversion over mandated minimums	7
C	Recovered product quality and marketability	5
D	Net present value of project lifecycle costs and revenues	36
E1	Site expansion potential to accommodate future needs	11
E2	Technology expansion potential to accommodate future needs	8
F	Community impact (odour, traffic, aesthetics, and other nuisances)	15
Total		100

2. **Alternatives Development:** long-lists of options were developed for each of the following categories. A stop-light analysis was performed on the long-lists to eliminate items that did not meet the requirements of the Regional Partners. The resulting short-list of options were carried forward to the following stage to be assessed against the evaluation criteria.
 - a. **Feedstock:** including source separated organic waste (SSO) from each of the different County municipalities, inclusion of diapers and pet waste, leaf and yard wastes, horticultural wastes (currently landfilled at Essex-Windsor Regional Landfill), industrial, commercial, and institutional (ICI) organic waste, including horticultural waste, and sludges from the City's wastewater pollution control plants. Diapers and pet waste were excluded to not limit technology options and ensure marketability of the final recovered organic product (i.e., compost or digestate). It was also decided that leaf and yard wastes would not be considered for the Project initially due to the success of the existing composting program. These decisions were endorsed by the EWSWA Board on March 2, 2021.
 - b. **Process Technology:** technologies that were consistent with Ontario's Food and Organic Waste Policy Statement, including composting and anaerobic digestion were considered in this study. Technologies that were not consistent with Ontario's Food and Organic Waste Policy Statement were not included. A compost facility is generally cheaper to construct and operate than an anaerobic digestion facility. Anaerobic digestion facilities, however, generate biogas which can be converted into renewable energy or renewable natural gas, which can be used to generate additional revenues and assist the Regional Partners with meeting their climate action goals.



- c. **Energy Recovery Technology:** current incentive programs and climate action imperatives narrowed energy recovery options to those that displaced or reduced demand for conventional natural gas. Ontario's electricity system is relatively "clean" with respect to greenhouse gas emissions, reducing the potential of electricity generation alone to maximize benefits.
 - d. **Siting:** the study analyzed existing waste and wastewater properties in the City and County to short-list potential sites. New potential sites that might be proposed by a service-provider were also considered as a general concept without specific locations being known to be evaluated. Sites on and adjacent to the Essex-Windsor Regional Landfill, the City's Transfer Station #1, and the City's wastewater sludge processing facility were evaluated. Sites with insufficient footprint were eliminated. These include the City wastewater pollution control plants and the landfill, but adjacent lands were evaluated for each.
3. **Short-Listed Alternatives:** the following 14 pathways were developed based on feasible combinations of the options categories developed above:
- a. The first six pathways involve privately-owned sites and facilities:
 - i. **SC-1:** Service contract for third-party processing of municipalities obligated to collect single family residential SSO by the Province, including Windsor, Tecumseh, Amherstburg, LaSalle and Leamington. Location and technology to be determined by the service provider.
 - ii. **SC-2:** Service contract for third-party processing of all eight County municipalities. Location and technology to be determined by the service provider.
 - iii. **NS-C-1:** A delivery model whereby the contractor builds, owns, operates a compost facility on a site they select for a specified contract term. At the end of the operating contract the Regional Partners would purchase both the site and the facility from the contractor. Feedstock would include SSO from Windsor, Tecumseh, Amherstburg, LaSalle and Leamington.
 - iv. **NS-C-2:** Similar to NS-C-1 but feedstock would include SSO from all eight County municipalities.
 - v. **NS-AD-1:** Similar to NS-C-1 but the technology would be specified to be anaerobic digestion.
 - vi. **NS-AD-2:** Similar to NS-AD-1 but feedstock would include SSO from all eight County municipalities.
 - b. The remaining 8 pathways explored options for a facility built and owned by the Regional Partners on municipally-owned lands:
 - i. **LF-C-1:** A compost facility constructed on lands adjacent to the EWR Landfill. Feedstock would include SSO from Windsor, Tecumseh, Amherstburg, LaSalle and Leamington.
 - ii. **LF-C-2:** Similar to LF-C-1 but feedstock would include SSO from all eight County municipalities and capacity to process additional ICI waste.



- iii. **LF-AD-1:** An anaerobic digestion facility constructed on lands adjacent to the EWR Landfill. Feedstock would include SSO from Windsor, Tecumseh, Amherstburg, LaSalle and Leamington. This option, as well as LF-AD-2 below, also included utilization of the landfill gas with the biogas generated from the food waste.
 - iv. **LF-AD-2:** Similar to LF-AD-1 but feedstock would include SSO from all eight County municipalities and capacity to process additional ICI waste.
 - v. **TS-AD-1:** An anaerobic digestion facility constructed on unutilized land at Transfer Station #1. Feedstock would include SSO from Windsor, Tecumseh, Amherstburg, LaSalle and Leamington.
 - vi. **TS-AD-2:** Similar TS-AD-1 but feedstock would include SSO from all eight County municipalities and capacity to process additional ICI waste.
 - vii. **WBPF-AD-1:** Similar to TS-AD-1 but located adjacent to the Windsor Biosolids Processing Facility and the Lou Romano Water Reclamation Plant. This option explored synergies to achieve both food waste diversion targets, net-zero energy and climate goals for wastewater pollution control operations, and additional biosolids processing capacity with a single capital project.
 - viii. **WBPF-AD-2:** Similar WBPF-AD-1 but feedstock would include SSO from all eight County municipalities and capacity to process additional ICI waste.
4. **Cost-Benefit Analysis:** a cost-benefit analysis was conducted on the 14 short-listed pathways which included a detailed financial model to calculate the net present value (NPV) and net greenhouse gas (GHG) benefits for each pathway. The financial model considered capital and operating costs, lifecycle costs, potential revenues, changes to waste collection and transportation costs, and environmental benefits. Environmental benefits considered avoided landfill disposal, avoided landfill methane generation, and changes related to changes to transportation distances. In addition to the detailed financial model, recovered product quality, site expansion potential, technology expansion potential and community impact were assessed qualitatively based on the experience of existing facilities in other jurisdictions in Canada.

Results

The overall scores presented are the sum of the weighted, normalized criteria scores. A score of 100 percent would indicate the option had the best performance in all categories while a score of 0 percent would mean an option had the poorest performance in all categories. Figure ES.1 illustrates the scoring of the 14 options analyzed.

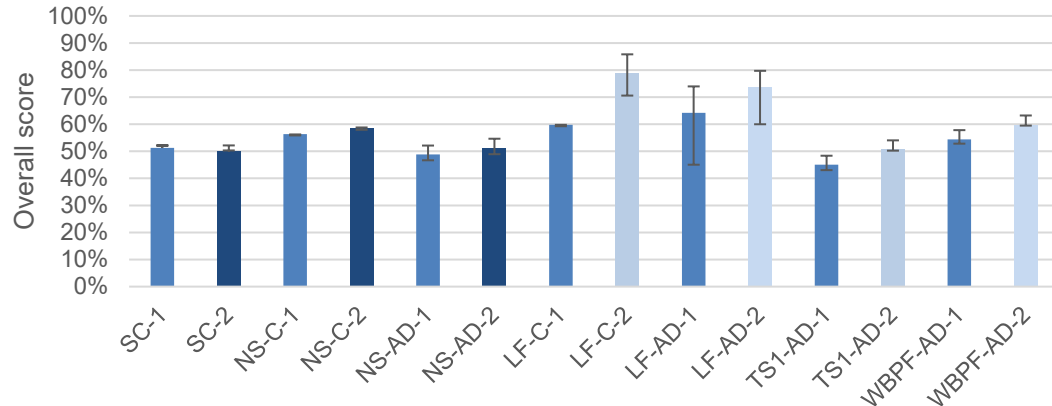


Figure ES.1 Summary of overall evaluation of alternatives.

Note: Error bars show variation between best and worst cases modelled

The three leading options (LF-C-2, LF-AD-2, then LF-AD-1) are facilities built and owned by the Regional Partners on lands adjacent to the EWR Landfill Site. These top three options include both compost and anaerobic digestion-based technologies. The following offer some explanation as to what drives the performance of the leading alternatives:

- Composting generally has a much lower cost compared to anaerobic digestion;
- Additional methane from the landfill gas collection system a manifold greater volume of renewable natural gas;
- Due to the landfill gas processing, landfill anaerobic digestion options have a much higher capital and operating cost, but these are expected to be offset by renewable natural gas sales;
- Projects accepting organic waste from the ICI sector and multi-family organics scored higher for better waste diversion and environmental performance;
- Anaerobic digestion has better odour control than composting; and,
- Anaerobic digestion offers a higher level of environmental benefits related to greenhouse gas reduction and renewable energy generation, even when greenhouse gas benefits of renewable natural gas are sold and not accounted.

The report contains a detailed discussion of the results including consideration of risks, a sensitivity analysis of the results of the evaluation process, annual costs to County municipalities, costs per tonne of GHG emissions abated, and costs per tonne of waste processed for each pathway. Key additional findings include:

- Third-party service contracts, which would require modifications to transfer stations, have the lowest initial capital costs but were expected to in a similar overall net per-tonne operating cost to the Regional Partners after lost landfill tip-fee revenues were considered. However, tonnages were limited to single family residential waste only and result in less diversion and GHG reduction benefits.
- All 14 pathways have average greenhouse gas abatement costs of less than \$170 per tonne of carbon dioxide equivalents (tCO₂e), which is less than the “shadow carbon price” established by



the Treasury Board of Canada as their estimate of the actual cost to reduce GHG emissions. The top performing options have the lowest greenhouse gas abatement costs at approximately \$50 to \$90 per tonne of carbon dioxide equivalent.

- The Windsor Biosolids Processing Facility utilizes significant amounts of natural gas to dry Windsor's biosolids. Constructing an anaerobic digestion facility adjacent to this facility and also treating the City's wastewater sludges in the anaerobic digestion facility would provide the City with additional options for biosolids processing in the future. Biogas from the anaerobic digestion facility could be used to displace natural gas consumption at the biosolids processing facility or, if desired, the processing facility could be decommissioned and replaced with an alternate processing and marketing option. Section 4.9 of the report outlines the potential significant savings of not operating a sludge drying facility.
- Transfer Station #1 options ranked low due to space constraints and limited potential future expansion potential, but it could play a role in future solutions depending on how these municipal lands are developed and how municipal energy initiatives progress.

Conclusions and Recommendations

Based on the evaluation completed as part of this study, with input from the Regional Municipalities, into the evaluation process and alternatives development, the following are GHD's conclusions and recommendations:

1. **Project Delivery Approach:** as a facility built and owned by the Regional Partners.
2. **Energy recovery:** For AD options, sale of RNG results in better project performance. RNG revenues are realized for smaller scale projects without having to plan for ICI and multi-family residential waste tip fees and offer pricing stability through supply contracts. Additional methane from landfill gas and wastewater sludge augments the RNG potential.
3. **Feedstock:** Considering current market rates and lost landfill tipping fees, the Project has limited potential for new revenues to the Regional Partners from tipping fees for ICI and multi-family residential waste. Compost is more likely to be profitable from tipping fees than AD. New markets for waste that were previously directed to a facility other than Essex-Windsor Regional Landfill are a profitable area of expansion and could be considered in the future. Despite the financial risk of building a larger plant to accept ICI and multi-family residential waste, taking more waste at a loss would still support the Regional Partner's objectives and presents a competitive marginal GHG abatement cost.
4. **Technology:** While both AD and compost options are in the top three alternatives evaluated, AD can have better GHG and financial performance if it is coupled with LFG utilization and potentially when used as part of longer-term changes at the Windsor wastewater pollution control sites. In addition, with these synergies, the Project is more likely to be eligible for future federal and provincial grant and other financial incentive programs. Without these synergies, compost would be the most competitive option. A key decision required prior to initiating procurement is whether both AD and compost solutions would be acceptable tender submissions. If the procurement permits both AD and compost solutions; the result will almost certainly be a compost-based solution.



5. **Location:** The size of the landfill gas resource and suitability of adjacent lands present a compelling case for an option near the Essex-Windsor Regional Landfill. The WBPF-AD also presents additional advantages if a project can be used to help replace the WBPF with a less energy and carbon intensive solution, which would eliminate up to 37 percent of the City's corporate natural gas consumption (WBPF's approximate current share). An optimal solution may include both locations in time. Without clear indications of potential higher-value offtake of biogas and with uncertain space availability, Transfer Station 1 did not present a compelling alternative at this time. Procurement processes may be designed to allow for bidders to select and bid on one (or more) of these options. The procurement process can be used to obtain real costs in a competitive process to make final determinations with respect to NPV costs relative to realized environmental benefits and GHG reductions.

With respect to schedule relative to the Provincial 2025 target date, if the Regional Municipalities wish to meet this deadline to have their collections programs in place, consideration will need to be given for short-term third party processing contracts as a new owned facility is not expected to be completed by the end of 2025 realistically. A high-level schedule based on other recent projects (assuming no planning approvals, other than site plan approval will be required):

- Procurement: 1.5 – 2-years
- Design and Approvals: 1 – 1.5-years
- Construction and Start-Up: 1.5 – 2.5-years
- Total: 4 – 6-years

If additional time is required for permitting and/or consultation, it would further exacerbate the ability to meet a 2025 deadline. This factor may require the Regional Partners to use a service contract, even temporarily, to meet obligations. Based on the cost-benefit analysis, this model does not meet the Regional Partners long term goals, however.



Glossary

AD	Anaerobic digestion, anaerobic digester
BOOT	Build-Own-Operate-Transfer
CER	Canada Energy Regulator
CFIA	Canadian Food Inspection Agency
CHP	Combined heat and power generation
City	City of Windsor
CNG	Compressed natural gas
CO ₂ e	Carbon dioxide equivalent
County	County of Essex
DE	District energy
ECA	Environmental Compliance Approval
ECCC	Environment and Climate Change Canada
EOI	Expression of Interest 114-20
ERCA	Essex Region Conservation Authority
EWRLandfill	Essex-Windsor Regional Landfill
EWSWA	Essex-Windsor Solid Waste Authority
FCM	Federation of Canadian Municipalities
GHG	Greenhouse gas
GGPPA	Greenhouse Gas Pollution Pricing Act
GJ	Gigajoule
ha	Hectare
ICI	Industrial, commercial, and institutional sector
ICIMF	SSO from ICI and multi-family residential sources
KELk	Municipalities of Kingsville, Essex, and Lakeshore
kg	Kilogram
km	Kilometre
LFG	Landfill gas
LRPCP	Little River Pollution Control Plant
LRWRP	Lou Romano Water Reclamation Plant
LYW	Leaf and yard waste
m	Metre
m ³	Cubic metre
MBT	Mechanical biological treatment
NPV	Net present value
OPPS	Ontario Provincial Policy Statement as defined in Section 1



RNG	Renewable natural gas
SF8	Single family residential SSO from all eight Essex-Windsor municipalities
SWTALL	Single family residential SSO from Windsor, Tecumseh, Amherstburg, LaSalle, and Leamington
SSO	Source-separated organic waste
TALL	Municipalities of Tecumseh, Amherstburg, LaSalle, and Leamington
Tonne, t	Metric tonne; 1000 kilograms
tCO ₂ e	Tonnes of carbon dioxide equivalent
tpy	Tonnes per year
TS1	Transfer Station #1
WBPF	Windsor Biosolids Processing Facility
WWS	Wastewater sludge
WWTP	Wastewater treatment plant



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1. Introduction

The City of Windsor (City), the Essex-Windsor Solid Waste Authority (EWSWA) and the County of Essex (County) agreed, in October 2020, to pursue the development and implementation of a Regional Food and Organic Waste Management Plan (Regional Plan) as an outcome from a new Organic and Biosolids Waste Management and Processing Project (Project). The City, EWSWA and the County are collectively referred to as the “Regional Partners” for the purposes of the Project.

The primary impetus for the Project was compliance with Ontario’s Food and Organic Waste Policy Statement pursuant to Section 11 of the 2016 Resource Recovery and Circular Economy Act (collectively the “Organics Provincial Policy Statement” or “OPPS”), which required a number of municipalities in Essex-Windsor to achieve specific food and organic waste reduction and recovery target rates by 2025, namely:

- **City of Windsor:** a city with a population of 220,000 inhabitants, provide curbside collection of food and organic waste to single family dwellings in an urban settlement area and to achieve a target reduction rate of 70 percent for single family residential buildings (per Section 4.2.ii of the OPPS). In addition to existing leaf and yard waste (LYW) diversion, this would require 45 percent of food waste diversion.
- **Tecumseh, Amherstburg, LaSalle, and Leamington** (referred to collectively as TALL): provide collection, through public drop-off depot, community composting area or curbside collection, of food and organic waste to single family dwellings in an urban settlement area and to achieve a target reduction rate of 50 percent (per Section 4.2.ii of the OPPS). In addition to existing LYW diversion, this would require 8 percent of food waste diversion.
- **Kingsville, Essex and Lakeshore** (referred to collectively as KELk): not required to achieve specific reduction rate for food and organic waste based on their population and population densities. As the population and population density grows in these municipalities, their obligations under OPPS may change in the future.
- Additionally, multi-residential buildings and some institutional, commercial, and industrial (ICI) establishments are mandated to achieve 50 percent diversion. This is not the municipalities’ responsibility, but municipalities may choose to plan for some diversion from these sources.

As elaborated in Section 1.1 below, the Project is further considering the inclusion of sludge from wastewater treatment. This would be intended to complement wastewater capital planning for the City, recommendations of the City’s Integrated Site Energy Master Plan, potential future wastewater sludge management needs of other Essex County municipalities, and the Organics Provincial Policy Statement that encourages Municipalities to plan for the management and beneficial use of biosolids. The City also has internal climate action and energy goals which could benefit from including wastewater sludge.

GHD was retained by the City, in response to Request for Proposal (132-20) – Organics Waste Management and Processing Consultant, to complete Phase 1 of the Project, primarily a planning and scoping study to determine preferred solution pathways. Phase 1 also includes the first step of the formal procurement process, a request for qualifications, to short-list potential solution providers.



1.1 Project - Phase 1 Goals

Section 2.1 of the Project Charter (November 2020), states:

- “the ultimate goal of this project is to develop a strategic plan to comply with legislative requirements of the Organics Provincial Policy Statement through a regional approach to food and organics waste management in Essex County.”

In reviewing this goal, the City identified an opportunity to realize potential cost savings and synergies with the City’s Pollution Control Department’s needs to address biosolids processing capacity expansion on a similar timeline. By the completion of Phase 1 of this Project, a strategic plan will have been developed to address the two major goals identified:

6. To provide a regional solution for organics management and processing.
7. To determine whether to include biosolids from wastewater treatment plants in the preferred organics process or to deal with this under a separate City of Windsor project.

The following are benefits the Project will strive for in addition to the two main goals outlined above:

- Minimize capital and operating costs.
- Minimize impact to the community (odour, noise, etc.).
- Plan for the management and beneficial use of biosolids, including considering new and enhanced biosolids processing technologies and co-management of practices that support volume minimization and nutrient recovery.
- Adhere to the City’s Integrated Site Energy Plan for its wastewater treatment plants regarding reduction of greenhouse gas emissions.
- Meet Guidelines for Composting, if applicable.
- Public and stakeholder (e.g., Essex Region Conservation authority (ERCA)) consultation if necessary.
- Investigate options for consolidation of processes (garbage, biosolids, Industrial, Commercial and Institutional sector waste, yard waste, etc.).
- Explore revenue options based on by-product marketability.
- Removal of organics from landfill.
- Reduction in greenhouse gas emissions.

The objective of this report is to inform and empower the Regional Partners to be able to engage in a successful procurement process starting in summer 2021 and culminating in the development of the preferred organic waste management and processing system alternative in time to meet the respective objectives of the Regional Partners.



1.2 Project - Phase 1 Scope

GHD was retained to complete the following general scope of work, as outlined in Section 1.2 of the Project Charter (section numbers for elements discussed in this report in parentheses):

- Researching what other Ontario municipalities are doing to comply with the legislation, including best practices.
- Review responses from City of Windsor Expression of Interest (EOI) (114-20).
- Identify and prioritize project goals (Sections 1 and 2).
- Evaluate service delivery models (Sections 3.5 and 4).
- Evaluate technology alternatives including site considerations, risks, advantages, disadvantages, constraints, challenges, life cycle, high level capital cost and other relevant considerations (Sections 3.2 and 4).
- Advise on site specific spatial requirements, buffer zones, and other environmental and planning restrictions (Sections 3.4 and 4.2).
- Evaluate, through a cost-benefit analysis, end market revenues and renewable energy options (Sections 3.3 and 4).
- Preliminary schedule development (Section 5).
- Meet with stakeholders (County of Essex municipalities, Essex Regional Conservation Authority (ERCA), Enbridge, etc.) (Sections 2 and 3).
- Prepare a report summarizing the activities and findings of the above, including a recommendation for the preferred solution (Section 5).
- Provide technical input into and participate in the evaluation of responses to a request for qualifications (RFQ) (recommendations for consideration in an RFQ provided in Section 5, RFQ development pending).

The following items are out of scope for Phase 1 of the Project:

- Food and organic waste collection (except as required to evaluate and recommend a preferred processing solution as part of the scope outlined above).
- Re-evaluation of or contract negotiations with the existing Windsor Biosolids Processing Facility (WBPF) and operator.
- Re-evaluation of the current wastewater treatment operations (e.g., Environmental Compliance Approval (ECA), amendments, staffing, dewatering, infrastructure alterations).

2. Evaluation Criteria

The preceding sections summarize the building blocks needed to compile suitable organics processing options and pathways for a future food waste diversion program in the City of Windsor and Essex County. There are a myriad of permutations and combinations. There are as many opinions and preferences in the industry as to how best to implement organics processing in Ontario



as evidenced by the variety in the EOI responses and presentations. How then to find a “best” solution for the Regional Partners?

The following sections will walk through a process to find the “best” or most suitable option or options for the Regional Partners, in the following steps:

1. Develop evaluation criteria: the first step is to solidify what a good outcome for the Project looks like by confirming project objectives and priorities for the various Regional Partners and other municipal stakeholders within the County. These objectives and priorities were then translated into a set of criteria, weighted by priority, used to evaluate the different options and pathways. To arrive at the correct destination, it is important to first decide where it is that you wish to end up.
2. Develop options and pathways: the next step is to consider all the permutations and combinations of organics processing options and pull together a long list of realistic options.
3. Screen out unsuitable or unrealistic options using a stoplight screening approach.
4. Intended “additional benefits” of the Project were defined by the Regional Partners through the Project Charter as summarized in Section 1.1. Apply the evaluation criteria to the long list of alternatives to develop a short list of alternatives, which will be evaluated in detail in a subsequent step.

These contemplated benefits were refined into specific evaluation criteria in consultation with the Technical Working Group, the Oversight Committee and representatives from the seven municipalities within the County. An important milestone was a virtual workshop held on February 3, 2021, where the Technical Working Group members brainstormed project objectives under economic, social, environmental, and technical headings, consolidated similar ideas, and then took an informal poll to gauge prioritization of each. This was followed by similar workshops with the Oversight Committee on February 16, 2021 and the seven lower-tier municipalities on February 19, 2021. The results of these exercises are summarized in Appendix A, which visually summarizes the main criteria suggested by each group and their relative importance to each.

Following these workshops, criteria and weightings were finalized in correspondence with the TWG including discussions held February 24 and 26, 2021. Criteria were also presented by the City to a subsequently endorsed by EWSWA on March 2, 2021.

Table 2.1 below shows the final evaluation criteria and weighting decided through this process. Of the benefits contemplated in the Project Charter, all are represented in Table 2.1 except “Public and stakeholder consultation if necessary”, which would be a Project input rather than an outcome.

GHD notes that, due to the intersectional nature of waste management, duplication of source quantities used to calculate some evaluation metrics occurs. This is not inherently problematic and reflects co-benefits. For example, waste diversion is reflected in its core metric, in GHG benefits, as well as economically as extended landfill life.

A sensitivity analysis of the weighting criteria is included in Section 4.7.



Table 2.1 Summary of Longlist Evaluation Criteria

Number	Description	Weight
A	Net GHG benefits (Tonnes of carbon dioxide equivalent per year; tCO ₂ e/year) <ul style="list-style-type: none"> Compared to mandated diversion as baseline Includes landfill methane avoidance - applying to both AD and compost and scaling with size Includes GHG reductions from renewable energy consumed by the Regional Partners Includes GHG benefits of landfill gas and wastewater sludge utilization where applicable 	18
B	Additional diversion (tonnes per year; tpy) <ul style="list-style-type: none"> Compared to mandated diversion as baseline Includes non-obligated municipalities, ICI, multi-residential, and other municipalities' wastes Wastewater sludge not included 	7
C	Recovered product quality <ul style="list-style-type: none"> Qualitative score considering contamination, stability, and eligibility for class/grade 	5
Subtotal	Environmental Criteria	30
D	Net present value of project lifecycle costs and revenues (\$CAD) <ul style="list-style-type: none"> GHGs accounted where direct cost savings only (e.g., carbon price savings on natural gas) Diversion accounted as preserved landfill airspace Wastewater sludge operational savings counted as reduced tonnages to biosolids processing/ deferred expansion requirement 	36
E1	Site expansion potential <ul style="list-style-type: none"> Relative potential of available site area for new capacity, considering a 100,000 tpy cap, site geometry, and other constraints 	11
E2	Technology expansion potential <ul style="list-style-type: none"> Relative cost to expand solution by 5,000 tpy capacity increment 	8
Subtotal	Economic/ Operational Criteria	55
F	Community impact <ul style="list-style-type: none"> Qualitative score considering potential of odour, traffic, pests, appearance, and other nuisance 	15
Subtotal	Social Criteria	15



3. Alternatives Development

Alternatives were developed and refined through review of Regional Partners' information, EOI responses, Technical Working Group input, Oversight Committee input, and input from seven lower-tier municipalities in the County. This section enumerates the options under consideration to form alternatives.

A stoplight analysis was used to qualitatively screen options, according to the scheme summarized in Table 3.1. This screening is used to narrow the available options by excluding those which cannot or are unlikely to meet the Regional Partners' requirements. In Section 4, options that passed the initial screening in this Section were evaluated in greater detail with respect to the Regional Partners' objectives discussed in Section 2.

Table 3.1 Stoplight Analysis Overview

Stoplight Colour	Description
Red	Multiple barriers or disadvantages to
Amber	Benefits to option with some
Green	Preferred or acceptable risk option

3.1 Feedstock

A variety and volume of feedstocks exist in Essex-Windsor and selecting which materials should be included and how much of each is one of the key initial decisions in defining the project scope and scale.

It was estimated that approximately 200,000 tpy of organic waste, including single and multi-family residential mixed waste organics, leaf and yard waste, ICI including horticultural wastes, and wastewater sludge is generated within Windsor and Essex County, but not all material must or should be included in the Project. For context, a single 200,000 tpy organics processing facility would make it one of, if not the, largest organics processing facility in Canada. This would be a significant undertaking.

Quantities of material were estimated based on available information from the Regional Partners¹ and used to estimate total availability of materials and achievable diversion of each category across

¹ Data sources: 2016 populations from Census. Windsor projected population growth up to 2036 - MHBC Consulting (2018). Appendix C to Council Report S97/2018. Tecumseh, Amherstburg, and LaSalle projections to 2048 and Windsor projected population growth up to 2045 – Dillon Consulting (2019). Organics Management Options Evaluation. Projected population growth to 2031 for other municipalities from Current State and Future Needs of



municipalities and sectors. Table 3.2 below summarizes the available materials based on best available information.

Table 3.2 Estimated Available Feedstock (2025 projections)

Feedstock group	Feedstock	Estimated Pool Size (tpy)	OPPS Diversion Requirement (tpy) ¹	Diapers and Pet Waste Content (tpy)	Yard Waste Disposed in Mixed Waste (tpy)
Organic fraction of mixed waste	Windsor – Single family residential	17,800	10,100	2,000	8,200
Organic fraction of mixed waste	Windsor – Multi family residential	5,700	3,200	600	Single and multi family combined above
Organic fraction of mixed waste	TALL - Single family	9,200	900	1,000	3,100
Organic fraction of mixed waste	TALL - Multi family	700	400	100	Single and multi family combined above
Organic fraction of mixed waste	KELK - Single family	10,000	-	1,100	3,400
Organic fraction of mixed waste	KELK - Multi family	700	400	100	Single and multi family combined above
Diverted LYW	Windsor	7,100	(Already diverted)	-	-
Diverted LYW	TALL	7,100	(Already diverted)	-	-
Diverted LYW	KELK	3,500	(Already diverted)	-	-
ICI	Vines and media	50,000	-	-	-
ICI	Conventional ICI waste (County)	58,400	22,700	-	-
Waste-water sludge	LRWRP+ LRPCP	42,100	-	-	-

Notes 1. Assumes 10 percent residuals to landfill from collected materials. Subtracts already diverted LYW from single family residential requirement. LRWRP: Lou Romano Water Reclamation Plant. LRPCP: Little River Pollution Control Plant.

the Windsor Essex Housing and Homelessness System (2019). Where sources conflict, higher value was selected to conservatively model required diversion volumes. Populations interpolated where possible or linearly extrapolated from last available interval (applies to Essex, Kingsville, Lakeshore, and Leamington 2031-2045). Multi-family and single family housing percentages from Current State and Future Needs of the Windsor Essex Housing and Homelessness System (2019) and assumed constant throughout period. Waste composition based on 2011-2013 EWSWA waste audits. Historical waste tonnages supplied by EWSWA. Organic fraction of mixed waste projected assuming similar organic waste content and escalating waste generation rates 1.1 percent per capita per year. LYW projected by normalizing to single family units and using 1.1 percent per capita escalation. Wastewater sludge volumes based on 2014-2018 data reported in Stantec (2020). Integrated Site Energy Master Plan, normalized per capita and scale to population projections. Vines and media estimated by EWSWA (consistent with 2017-2020 tonnages recorded by the same). ICI organics assumes similar organics content to residential waste, and ICI sector waste generation at 132 percent of residential based on Canadian sectoral waste generation data from Statistics Canada (2018). Solid waste diversion and disposal, Canada, 2002 to 2016.



GHD notes that due to existing LYW diversion programs, the effective SSO diversion required to reach respective OPPS targets of 50 percent to 70 percent (for TALL municipalities and Windsor, respectively) to of “food and organic waste” as approximately 8 percent for TALL municipalities (42 percent of food and organic waste captured as LYW already) and 45 percent for Windsor (25 percent captured in LYW already). The accounted existing diversion does not include waste that is not handled by EWSWA, for example, backyard composters and grasscycling, meaning that volumes required to reach diversion targets may be lower if these programs are quantified and accounted for. GHD notes that because of existing LYW diversion programs the Regional Partners are already part way to their OPPS diversion targets. Once calculations for determining credits for backyard composting and grasscycling is confirmed by the Province, these programs will also further reduce the minimum required diversion levels that need to be achieved with a residential SSO diversion program.

While TALL municipalities have higher diversion of LYW (42 percent of food and organics, versus 25 percent in Windsor), both Windsor and TALL municipalities have similar mixed composition at approximately 40 percent organics representing comparable potential for additional diversion with through SSO collection.

A spotlight analysis was used to screen potential feedstock sources, as shown in Table 3.3.



Table 3.3 Stoplight Analysis of Feedstock Options

Feedstock	Feedstock	Stoplight	Comment
SSO	Windsor – Single family residential	Green	City's obligation. Mandatory.
SSO	Windsor – Multi family residential	Amber	Obligation is to building owner. City can advertise collection but building owner not obligated to contract with the City. Municipality would need to compete for materials with private companies or impose bylaw to direct materials to municipal processing solution.
SSO	TALL – Single family residential	Green	Obligation does not need to be met by curbside collection, although this is the method preferred by the OPPS.
SSO	TALL – Multi family residential	Amber	No obligation to participate, but participation would harmonize regional approach.
SSO	Diapers and pet waste	Red	Diapers and pet waste, combined with weekly collection of SSO and biweekly collection of residual MSW, improves ease of participation and increases SSO capture rates. This is offset by increased processing complexity and costs. Most pre-processing systems do not do a great job of capturing the organics from these materials and a significant portion of these materials tend to end up in the Residue. Including this material limits technology to wet AD with specific pre-processing equipment proven to recover organics from these materials (e.g., pulper system coupled with grit removal). Compost solution providers have consistently indicated that including diapers impacts marketability of the final compost as it cannot be marketed as AA compost.
Diverted LYW	All municipalities	Red	The County has an existing successful LYW diversion program that generates a high-quality high-demand compost. Existing LYW program should remain segregated; at least to start. This was communicated by EWSWA and was also communicated to be the preference of a number EOI respondents. Initializing an SSO program with LYW kept separate to begin with, will provide more flexibility with respect to technology options. LYW may, in the future, be directed to the new organics processing solution if beneficial. LYW reduction programs (e.g., grasscycling) should continue to improve diversion and reserve capacity.
Horticulture waste	Vines and media	Amber	The quantity of this material, which is currently being landfilled, makes this material difficult to ignore when contemplating waste diversion. This material contains wire and other contaminants that make it difficult to process. It is high cellulosic material that is not all readily digestible and this material does not have a high biogas yield potential. It was agreed in the Technical Working Group that this material would not be addressed as one of the core materials. GHD recommends that the procurement process include this material as an optional material. If the vines can be incorporated in the solution cost effectively then it is win-win, if not an alternate can continue to be explored. The quantity of material is sufficient to achieve economies of scale on its own.

Feedstock	Feedstock	Stoplight	Comment
ICI organics	Conventional ICI organics	Amber	Similar to multi-family residential, obligation is to business owner. Regional Partners can advertise collection and treatment, but owner not obligated to contract. If a Service Contract is procured it would not make sense to include these materials in the offering. If Regional Partners decide to build their own facility, this material can be used to fill excess capacity on a temporary basis to generate additional revenues from tip fees. Banking on and building capacity for this material can be risky if long-term commitments are not provided by the material generators as there is competition for this material, particularly materials that have good biogas generation potential. It is recommended that unless a long-term commitment can be obtained that this material be included as an optional material (included at the bidder's risk, similar to the Surrey Biofuels project) or used only to utilize excess capacity if required.
ICI organics	Liquid waste including fats, oils, and grease	Amber	Subcategory of ICI organics. High biomethane yield, with minimal additional operational considerations required. This material is in demand and competing for this material can be difficult. It is advised not to rely on this material for tip fee or energy revenue, however facilities can be engineered to provide flexibility to receive this material in any case. If tanker truck hookups for off-site SSO processing are used, liquid waste can use the same equipment.
Waste-water sludge	LRWRP +LRPCP	Green	Co-digestion is a potential option. There are a number of potential synergies with needed wastewater treatment plant (WWTP) upgrades and expansions and with the WBPF. This material needs to be assessed fully against the evaluation criteria.

At its meeting March 2, 2021, the EWSWA Board endorsed a report which recommended that diapers and pet waste and LYW should not be considered as mandatory feedstock for the project.



Based on the stoplight analysis, the following feedstock scenarios are proposed for further consideration. These scenarios are not static and may be refined through further consultation and analysis.

- SFWTALL: Windsor and TALL single family SSO only
- SF8: Single family residential SSO from all eight municipalities
- SF8+ICIMF: SF8 plus a portion of horticulture waste and/or ICI and multi-family residential organics (ICIMF)
- SFWTALL+WWS: SFWTALL plus wastewater sludge (WWS) from Windsor
- SF8+WWS+ICIMF: SF8+ICIMF plus wastewater sludge from Windsor

Options including wastewater sludge may segregate SSO and sludge to some degree depending on process optimization – in general a 10 to 20 percent volatile solids loading rate is cited as optimal for wastewater sludge/SSO co-digestion, although higher loadings have been experimented on. This potentially encourages the operation of a dedicated SSO digesters and sludge/SSO co-digesters to optimized each process. Another consideration is that, given the volumes of sludges to be managed, incorporating sludges in a food waste digestion system may limit other low-yield wastes such as horticulture waste, depending on site circumstances. In any case, co-location of an AD facility on or adjacent to a WWTP facility has benefits even if the materials are not mixed in a given digester tank.

Co-digestion options carried forward should provide some flexibility to allow the digester to be operated at a range of organic loading rates. The technical risks associated with high SSO to sludge ratio could be mitigated by having vendors show experience operating plants at similar ratios and loading rates, including requirements for bidders to secure a subcontractor that they can trade excess SSO or excess capacity with, and/or other measures. This is a key recommendation with respect to structuring the evaluation matrix for procurement of the contractor.

It is important to bear in mind that the procurement process can be used as a tool to assist in making final selections and decisions, including for example inclusion of optional materials that are not necessarily a core functional requirement, such as portions of ICI and multi-family residential wastes. This provides the benefit of having bidders input into technical feasibility of options that pertain to their proposed solutions and also allow the Regional Partners to obtain real-time current costs.

Hybrid options may be identified during shortlist refinement. These may include phasing capacity procured over time (as feedstock pools grow and capture increases) and by dividing tonnages between a co-digester and other options in a system where co-digestion and dedicated SSO processing happen side by side. Since co-digestion processes are sensitive to the food waste loading, it may not be optimal to treat all the food waste collected in a co-digestion system.

In order to estimate the quantities of material that might be recovered from each feedstock scenario (as opposed to the total feedstock pool shown in Table 3.2), GHD assumed the diversion rates for different municipalities and sectors shown in Table 3.4, then modelled each scenario. These rates assume provision of curbside services. Rates are general based on observations in other municipalities and not based on any local research; actual recovery will vary.



Table 3.4 Capture Rate Assumptions

Scenario	Windsor		TALL		KELk		ICI
	Single	Multi	Single	Multi	Single	Multi	
Low	55%	15%	55%	15%	55%	15%	15%
Medium	60%	25%	60%	25%	60%	25%	25%
High	65%	35%	65%	35%	65%	35%	35%

Figure 3.1 summarizes the result of the diversion modelling and compares estimated diverted tonnages with diversion targets under the OPPS.

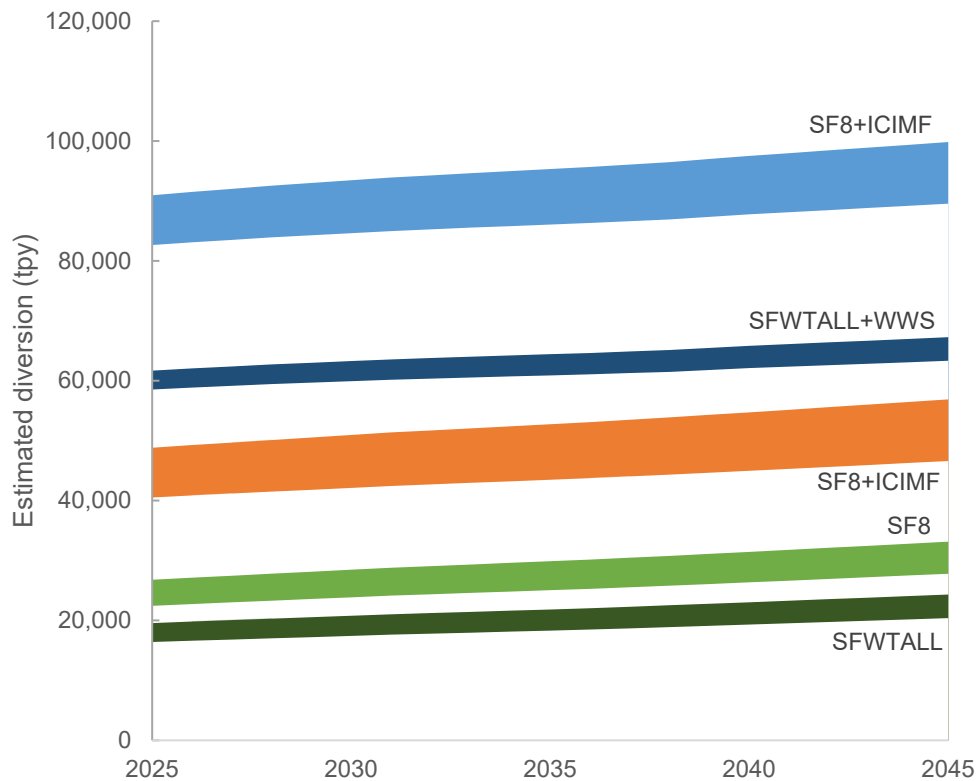


Figure 3.1 Estimated Feedstock Recovery Tonnage Ranges

The 2025 and 2045 estimated tonnages for each feedstock scenario and diversion rate are presented in tabular form in Table 3.5.



Table 3.5 2025 and 2045 Feedstock Diversion

Feedstock	Diversion	2025 (tpy)	2045 (tpy)
SFWTALL	Low	16,000	20,000
SFWTALL	Medium	18,000	22,000
SFWTALL	High	20,000	24,000
SF8	Low	22,000	28,000
SF8	Medium	25,000	31,000
SF8	High	27,000	33,000
SF8+ICIMF	Low	41,000	47,000
SF8+ICIMF	Medium	45,000	52,000
SF8+ICIMF	High	49,000	57,000
SFWTALL+WWS	Low	59,000	63,000
SFWTALL+WWS	Medium	60,000	65,000
SFWTALL+WWS	High	62,000	67,000
SF8+WWS+ICIMF	Low	83,000	90,000
SF8+WWS+ICIMF	Medium	87,000	95,000
SF8+WWS+ICIMF	High	91,000	100,000

3.2 Process Technology

At this stage, a simplified analysis considering only the main alternatives were considered, as further refinement depends on other specifics to be decided. This analysis focusses on the primary treatment technology; composting of AD digestate is not considered within this report as this treatment is not considered necessary to produce a viable product in Ontario. Table 3.6 below summarizes process technology options.

Table 3.6 Stoplight Analysis of Primary Processing Technology

Technology	Stoplight Analysis	Comment
Anaerobic Digestion	Green	Only option that results in appreciable energy generations, therefore the only options that generates accountable GHG benefits, a key criteria for the Project. Suitable to all ranges of moisture from feedstock options. Wet AD in particular is better suited to pre-processing for contamination removal.
Composting	Green	Generates drier and more stable end product than AD. More potential for odour generation, a key concern of the Project. Often used in addition to AD.
Mixed waste processing/MBT	Red	OPPS requires source separation program be implemented prior to consideration of a mixed waste processing solution. Limited experience and variable performance in North America.

At its meeting March 2, 2021, the EWSWA Board endorsed a report that recommended that mixed waste processing should not be considered as a viable option for the Project.

3.3 Energy Recovery Technology

Energy recovery technology is highly dependent on siting and other constraints and cannot be independently considered until other parameters are better defined, however the relative advantages of certain approaches may be assessed.

3.3.1 Feedstock Energy Potential

It is worth noting that the feedstock selection (Section 3.1) determines the energy recovery available, with greater feedstock volumes and prioritization of feedstocks with higher biomethane potentials leading to more biogas production and therefore greater conventional fuels displacement. Figure 3.2 below compares the estimated biomethane potential of feedstock options presented in Section 3.1 with the existing natural gas usage for the City and Windsor community. This excludes County municipalities. Natural gas was the second largest source of GHG emissions (29 percent) after diesel (34 percent) based on the City Corporate Climate Action Plan 2014 baseline.

Landfill gas (LFG) is also shown, which could be incorporated into an option located close to the EWR Landfill. The methane recoverable from LFG is greater (by almost 5 times) than the other sources because it is a relatively larger stock of materials and provides longer residence time for degradation.

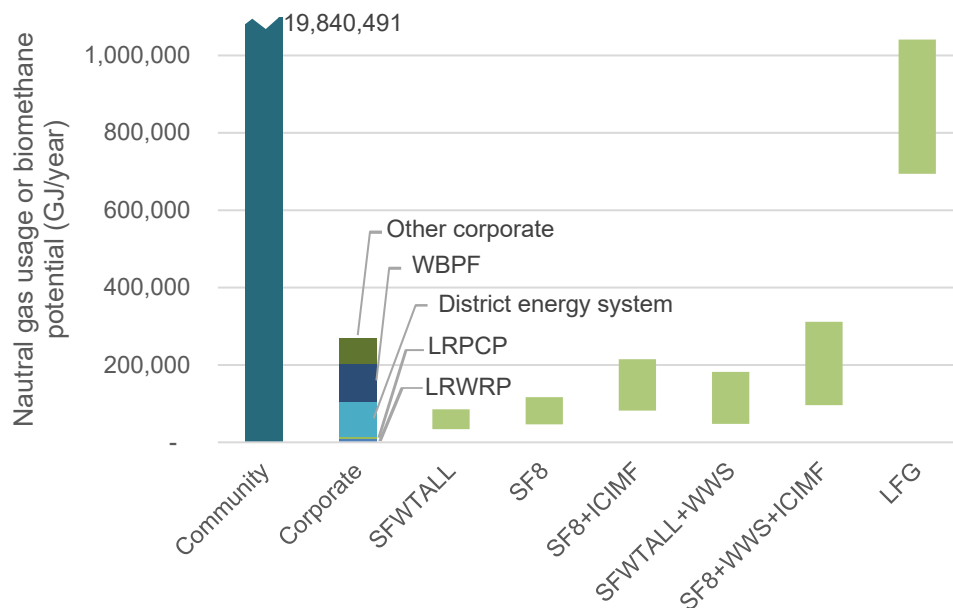


Figure 3.2 Energy Recovery Potential of Feedstock Options Compared to Corporate and Community Natural Gas Usage

Note: Corporate and Community Gas Consumption Data from Corporate Energy Management Plan 2019-23, Community Energy Plan, and Stantec Integrated Site Energy Master Plan which are based on historical data. Biomethane potentials based on Low to High diversion scenarios presented in Section 3.1 for organics, LFG is based on a range of LFG recovery from 50 percent to 75 percent, all based on 2025 estimations.

The landfill gas curve for the EWR Landfill used in modelled is shown in Figure 3.3 below. LFG production would be lessened the more organic waste is diverted from the landfill, but it would also be potentially captured in an AD process which compensates for this to an extent.

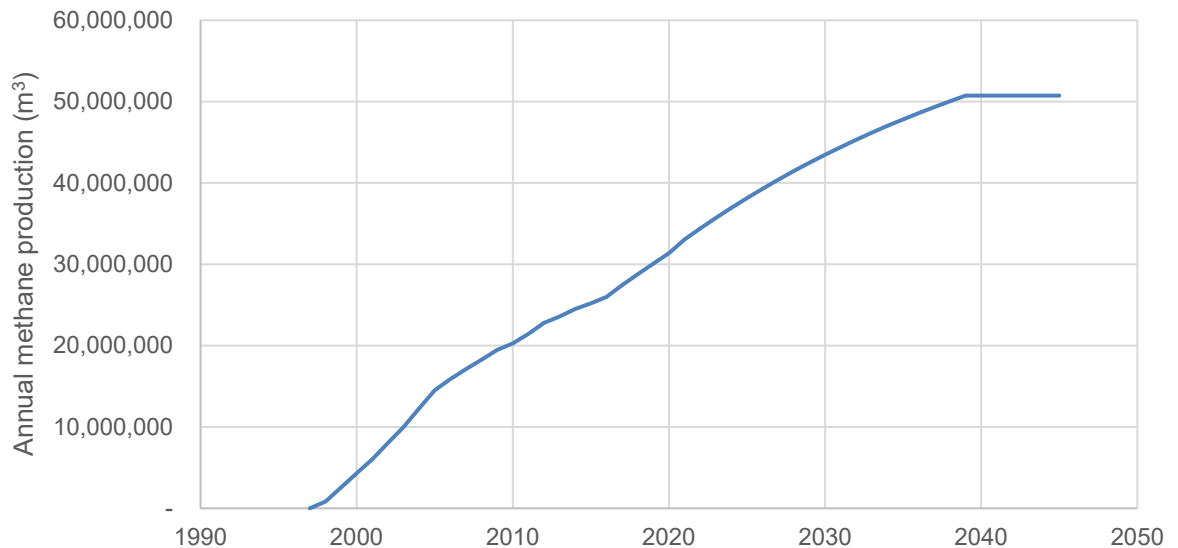


Figure 3.3 Landfill gas model for EWR Landfill

Note: Original modelling completed by Comcor for EWSWA. Original model stops loading waste 2040. Curve used for present report assumes landfill remains open until at least 2045 with similar LFG production for 2040-2045 (conservatively underpredicting available LFG).

As a comparison, the largest annual methane yield of all the residential SSO in the county would be approximately 3.6 million cubic metres, less than 10 percent of average annual LFG methane through the Project life.

3.3.2 Energy-Related Greenhouse Gas Savings

In addition to the absolute energy potential, it is also worth noting the relative greenhouse gas benefits of different energy recovery options. Energy from biogas contributes only biogenic CO₂ emissions which are not accounted the same way fossil CO₂ emissions are. In all options, including compost, CO₂ is the primary end product. For this reason, the amount of conventional energy displaced is the primary way in which GHG benefits from the Project would be accounted. Figure 3.2 illustrates the potential to displace natural gas (with either biogas or RNG); electricity through combined heat and power (CHP) is another potential option. RNG combined with fuel switching from diesel has additional benefits, as does fueling a district energy (DE) system versus individual natural gas appliances. Table 3.7 below summarizes GHG benefits from conventional fuel displacement for a variety of energy recovery options.

**Table 3.7 GHG Savings of Selected Energy Recovery Technologies**

Energy recovery method	Grid factor (Natural gas or electricity)	Approximate emissions savings	Stoplight colour
	kgCO ₂ e/ GJ consumed	kgCO ₂ e saved/ GJ biogas used	
District energy (Biogas boiler)	51.7	75	Green
RNG to CNG for vehicles	51.7	55	Green
RNG to pipeline	51.7	50	Green
Electricity only	8.3	3.7	Red
CHP (Reciprocating engine)	See above	28.6	Green
Direct heat recovery from compost	-	Not estimated	Red
Biofuel incineration	-	Not estimated	Red

Notes: Ontario emission factors from 2020 National Inventory Report. Emissions savings greater than grid factor due to increased efficiencies from fuel/technology switching. DE calculations assume 30 percent efficiency savings over baseline, modelling switch from individual heating to DE. CNG vehicle savings are calculated against diesel as a baseline and are based on fuel economy values for short haul trucks used in Argonne National Laboratory's Heavy Duty Vehicle Emissions Calculator (<https://afleet-web.es.anl.gov/hdv-emissions-calculator/>). RNG conversion electricity usage subtracted from RNG to pipeline calculation based on highest intensity process reviewed by Amir Izzuddin Adnan, Mei Yin Ong, Saifuddin Nomanbhay, Kit Wayne Chew, Pau Loke Show. Technologies for Biogas Upgrading to Biomethane: A Review. Bioengineering 2019, 6, 92; doi:10.3390/bioengineering6040092.

RNG options are all coded green for displacing high-intensity fuels and processes. CHP is coded Green although it has a relatively smaller GHG impact. Electricity generation alone would have an even smaller GHG impact as shown and also requires a Renewable Energy Approval permit so it is graded Red; CHP integrates with on-site heat and electricity usage is a much better application of electricity generation in a policy climate that does not offer premium green electricity procurement programs with higher prices and long term contracts. While the savings associated with these biogas utilization technologies are well-understood, compost energy recovery technologies, including direct heat recovery and compost incineration are less well understood.

To GHD's knowledge, there are no facilities in Ontario exporting heat from a compost operation. While it is relatively common to use compost heat to supplement on-Site needs and compost heat recovery technology has been commercialized at a limited scale, the lack of maturity of implementation for off-site energy export increases the risk around this option. Compost heat recovery has been coded as Red. Vendors will be able to incorporate heat recovery to offset their own energy consumption to offer the Regional Partners a more cost competitive solution.

Current wording of the OPPS does not consider incineration as resource recovery so it has been coded as Red.

At its meeting March 2, 2021, the EWSWA Board endorsed a report which recommended the Project not consider electricity *only* as an energy recovery technology, nor would it consider options that convert the organic waste into a solid fuel and then combust that fuel to generate renewable energy.

3.3.3 Energy-Related Financial Savings and Revenues

Energy recovered from the Project may either be used to meet the Regional Partner's internal energy and GHG goals or be sold at a premium to utilities and other businesses who are pursuing similar objectives. Current RNG contracts range in prices from \$7 to \$28/GJ. Part of the variation in costs comes to different prices of GHG pollution in different jurisdictions both at present and forecasted for the future. While RNG contracts lock in rates for the contract duration (depending on specific contract terms), the price of grid natural gas is variable over time based on the wholesale natural gas price and the price of GHG pollution. While the federal price on GHG pollution is regulated until 2022 and policy announcements provide plans up to 2030, here are no conclusive carbon prices for the majority of the project life, from 2031 to 2045. Three potential scenarios used for this analysis are shown below in Figure 3.4.

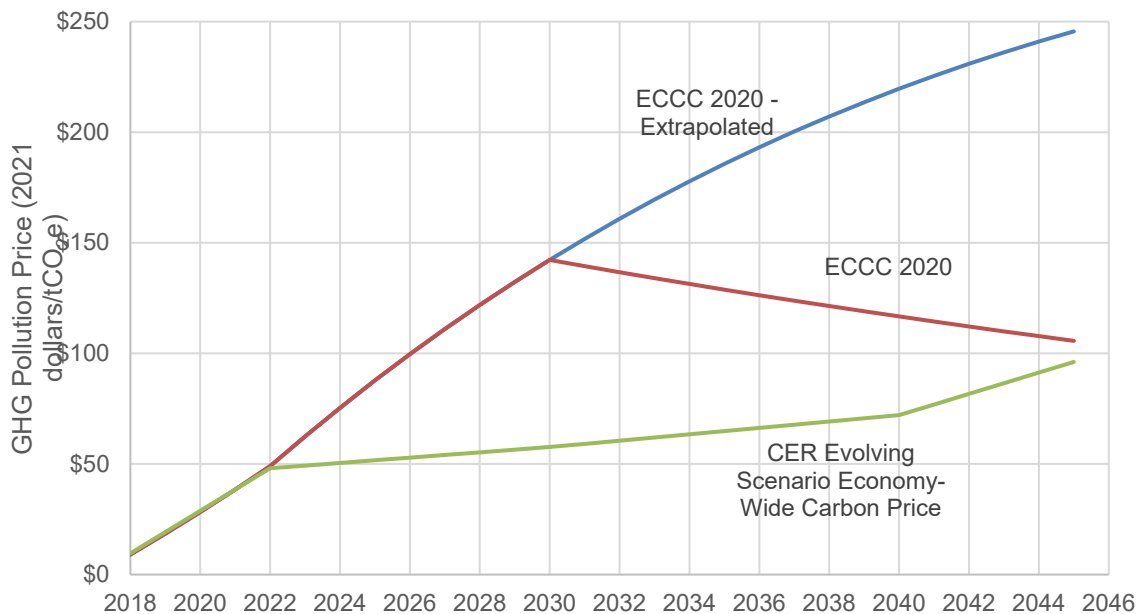


Figure 3.4 Potential GHG Pollution Pricing Scenarios

The lowest price is the “Evolving Scenario Economy-Wide Carbon Price” from the Canada Energy Regulator (CER) Canada’s Energy Future Report², which predicts a decreased price escalation after the 2022 regulated price is passed, rising to a maximum of \$96/tCO₂e by 2045. In contrast, Environment and Climate Change Canada (ECCC) announced in late 2020 an intention increase the price escalation once the 2022 rate lapsed, climbing to \$170/tCO₂e in 2030³. While no policy targets have been set past this date, two illustrative possibilities may be a continued price increase at \$15/tCO₂e/year (nominal dollars, the extrapolated curve above) or a freeze at the \$170/tCO₂e nominal price (price appears lower and declines above because values are deflated to 2021 dollars). The end price in the highest scenario is approximately \$245 in 2021 dollars, which remains under

² 2020. Available online at <https://www.cer-rec.gc.ca/en/data-analysis/canada-energy-future/2020/assumptions/index.html>

³ Environment and Climate Change Canada. 2020. A Healthy Environment and a Health Economy. URL: https://www.canada.ca/content/dam/eccc/documents/pdf/climate-change/climate-plan/healthy_environment_healthy_economy_plan.pdf



the Treasury Board of Canada's "shadow carbon price" of \$300⁴, a measure of the actual cost to reduce GHG emissions as opposed to the legislated price per the federal Greenhouse Gas Pollution Pricing Act (GGPPA) or determined through other mechanisms as applicable.

While the Supreme Court of Canada upheld the right of the federal government to enforce a nationwide carbon price in early 2021, the actual price past 2022 has not been legislated and is contingent on many factors. It may be higher, lower, or within the scenarios shown. At the time this report was drafted (April 2021), all three major political parties in Canada had carbon policy positions that involved putting a price on carbon; either through a tax, a levy on fuel consumption or a cap-and-trade mechanism.

In all scenarios, the carbon price creates incentives for natural gas users, such as the Regional Partners, to reduce natural gas usage through conservation, efficiency, and potentially fuel switching to lower-carbon energy sources such as RNG, renewable electricity, and renewable hydrogen. At the same time, it creates a market for these renewable energy sources which can be generated by Regional Partners and be sold if not consumed internally.

3.3.4 Process Greenhouse Gas Emissions

In opposition to GHG savings from energy displacement, there are also some accountable non-CO₂ emissions from methane (CH₄) and nitrous oxide (N₂O) from the organic material itself during processing. Table 3.8 summarizes direct process emissions (excludes emissions for electricity or natural gas to operate plants and downstream emissions from land application). These will be considered alongside GHG savings in the cost-benefit analysis presenting in Section 4.

Table 3.8 Process Non-CO₂ GHG Emissions

Process	CH ₄		N ₂ O		Total non-CO ₂
	kg/tonne	kgCO ₂ e/	kg/tonne	kgCO ₂ e/	kgCO ₂ e/ tonne
Compost	4	100	0.24	72	172
AD	0.8	20	0	0	20

Note: Emission factors from Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines, Volume 5, Chapter 3. Global warming potentials from IPCC 4th Assessment Report.

GHD notes that sufficient tail gas destruction is required with RNG systems to prevent excessive venting of methane to the atmosphere. Provisions for this are included in the Cost-Benefit Analysis in Section 4.

3.4 Siting

Siting is a complex exercise depending on a number of factors, including technical (such as footprint required and site services), social (such as zoning compliance, traffic and odour impacts), environmental (such as setbacks and permitting requirements), and financial (such as land value,

⁴ Treasury Board of Canada. 2020. Greening Government Strategy: A Government of Canada Directive. URL: <https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html>



transportation costs). New sites must also comply with Section 5.4.9 of the City of Windsor Official Plan⁵. At this stage, only the following siting criteria are being considered:

- Area available
- Ownership
- Potential zoning and permitting requirements
- Potential availability of energy offtakers

The processing technologies have different plant footprints, though in-vessel processes generally have similar requirements (GORE composting is the only one that does not scale up as well due to the area requirements for the pad). Table 3.9 and Figure 3.5 below summarize typical minimum site requirements, inclusive of roads, scales, and wastewater infrastructure. This figure and table are based on an average of similar technology facilities at a variety of scales. As noted in the table, with AD options, additional space may be desired for digestate composting depending on end market, but this could also be completed off-site. If pre-processing is completed off-site, required site footprints for the process facility would be smaller.

Table 3.9 Minimum Site Area Requirements

Technology	Plant capacity (ha)			
	25,000 tpy	50,000 tpy	100, 000 tpy	150, 000 tpy
GORE compost	1.75	3.25	6.25	9.25
Percolate bunker AD	2.75	3.25	3.75	4
Tunnel compost	2.25	2.75	3.25	3.5
Horizontal plug flow AD	1.25	2	2.75	3.5
Wet AD or Vertical Plug Flow AD	1	1.5	2	2.25
Digestate composting (optional)	+1.25	+1.5	+1.75	+2

Note: Does not include additional off-site transfer capacity or mixed waste processing. ha: hectare

⁵ Applies to sites within 500 m of City boundary. Developer must submit Disposal Site Report to council. 30 to 500 m setbacks may apply, depending on environmental and health and safety risks of the site. No City approvals issued until provincial approvals are obtained.

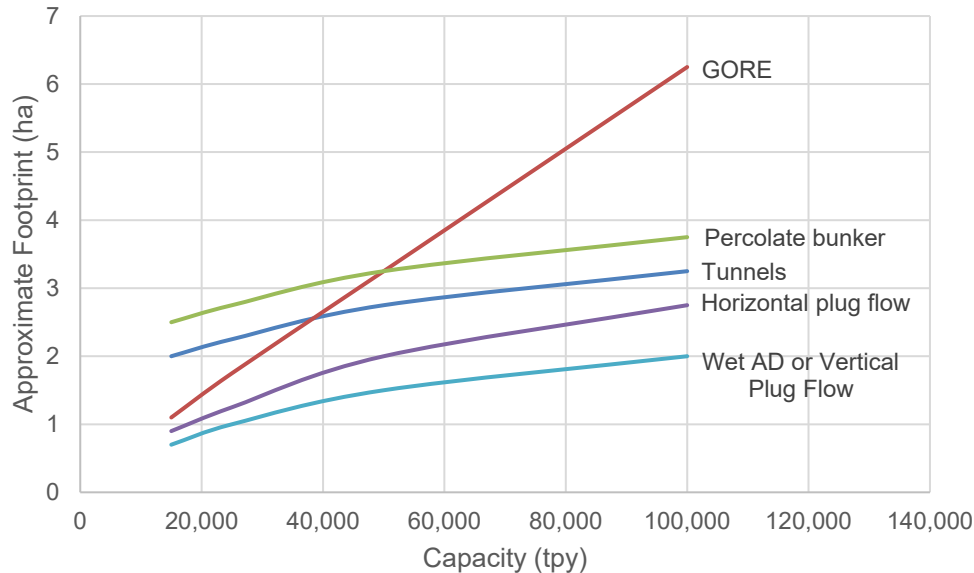


Figure 3.5 General Minimum Site Area Requirements

While natural gas and electricity grid interconnections must be coordinated with utilities, the DE system is under ENWIN control and may be built to accommodate City plans.

Table 3.10 below summarizes the identified Siting options and presents a stoplight analysis for each based on currently available data. Evaluation of green and amber rated sites based on footprint required will follow in Section 4.

At its meeting March 2, 2021, the EWSWA Board approved a report which recommended that the LRWRP, LRPCP and the existing Regional Landfill lands all have insufficient space to host the Project.

3.5 Project Delivery

Multiple options exist to deliver the Project. The Oversight Committee has determined that Design-Bid-Build, third party financing, and Integrated Project Delivery are not preferred for this project. The remaining options will be carried forward to the evaluation of alternatives.

Table 3.10 Potential Site Stoplight Analysis

Site	Potential space	Ownership	Zoning and permitting	Energy opportunities	Stoplight
County land adjoining Landfill	334 ha of agricultural land.	County of Essex	A1.1 Agricultural; would need rezoning	Opportunity to co-utilize landfill gas. Gas grid interconnection reported by EWSWA as 6-8 km away from landfill and electricity 14 km away at Kingsville Transformer station. The transformer station was undersized to receive power at the time but has been upgraded and would need to be reassessed.	Amber
Landfill	Insufficient space outside permitted limit of waste	County of Essex	L1.1 Landfill	Same as above	Red
TS1	2 ha undeveloped lot to east. 1.5 ha existing leaf and yard waste area and 2 ha public drop-off could potentially be optimized.	City	MD1.1 Light Industrial with limited Commercial. Potential traffic impacts due existing transfer station queuing issues.	In path of planned DE system expansion. Suitable natural gas or electricity interconnection likely nearby. Transit Windsor Garage is potential CNG user.	Green
WBPF	6 ha of land occupied by field	City	MD2.5 Manufacturing District. Zoning compatibility to be confirmed.	WBPF/ LRWRP operations. Suitable natural gas or electricity interconnection likely nearby. Other industrial users nearby.	Green
LRWRP	Insufficient space. All reserved for plant expansion.	City	MD2.5 Manufacturing District. Zoning compatibility to be confirmed.	Same as above	Red
LRPCP	Insufficient space.	City	GD1.1 Green District; Riverfront and residential nearby.	-	Red
Acquire property	As required.	NA	Favourable zoning or possibility or rezoning required in addition to the time required to find and purchase suitable property.	Should be considered as part of siting.	Amber
Service Contract	Vendor responsible for securing site, whether existing or new.	Vendor	Vendor risk and responsibility.	Vendor risk and responsibility.	Green



3.6 Shortlist of Alternatives

Based on the options reviewed above, a large number of combinations of green and amber components are possible as alternatives. To focus on the most feasible and advantageous options, a shortlist was prepared of options expected to score highly on the criteria established in Section 2. The shortlist was workshopped with the TWG on February 26, 2020 to make refinements and enumerate elements to be included in each option. Table 3.11 summarizes the 14 shortlisted options. The feedstock codes are defined in Table 3.12. Capital projects in the table may be delivered under a variety of project delivery methods which can be determined once more decisions are made about which Regional Partners will be involved, timelines, business model, and other factors.

Table 3.11 Short-Listed Alternatives

Option Code	Model	Process	Feedstock	Location	Energy
SC-1	Service contract	NA	SFWTALL	NA	NA
SC-2	Service contract	NA	SF8	NA	NA
NS-C-1	BOOT	Compost	SFWTALL	New site	NA
NS-C-2	BOOT	Compost	SF8	New site	NA
NS-AD-1	BOOT	AD	SFWTALL	New site	Assume RNG only
NS-AD-2	BOOT	AD	SF8	New site	Assume RNG only
LF-C-1	Capital project	Compost	SFWTALL	Lands near landfill	NA
LF-C-2	Capital project	Compost	SF8+ICIMF	Lands near landfill	NA
LF-AD-1	Capital project	AD	SFWTALL	Lands near landfill	Biogas+LFG to RNG
LF-AD-2	Capital project	AD	SF8+ICIMF	Lands near landfill	Biogas+LFG to RNG
TS1-AD-1	Capital project	AD	SFWTALL	TS1	Assume RNG only
TS1-AD-2	Capital project	AD	SF8+ICIMF	TS1	Assume RNG only
WBPF-AD-1	Capital project	AD	SFWTALL+WWS	WBPF	Assume on Site
WBPF-AD-2	Capital project	AD	SF8+WWS+ICIMF	WBPF	Assume on Site

Table 3.12 Feedstock Options and Tonnage Estimations

Feedstock Code	Description of Feedstock Source	Tonnage (tpy)	
		Low	High
SFWTALL	Single family from Windsor, Tecumseh, Amherstburg, LaSalle, and Leamington	16,000	24,000
SF8	Single family from all municipalities	22,000	33,000
ICIMF	ICI and multifamily provision (assumed 30% market capture)	18,000	24,000



Feedstock Code	Description of Feedstock Source	Tonnage (tpy)	
		Low	High
SF8+ICIMF	Single family from all municipalities plus ICI and multi-family	41,000	57,000
SFWTALL+WWS	Single family from Windsor, Tecumseh, Amherstburg, LaSalle, and Leamington plus Windsor's wastewater sludge	59,000	67,000
SF8+WWS+ICIMF	Single family from all municipalities plus ICI, multi-family, and Windsor's wastewater sludge	83,000	100,000

A single combined procurement can be used to help decide between capital projects, however, GHD does not believe that it is possible to evaluate capital projects, BOOT options, and service contract options in the same procurement as the terms and conditions for the different contracts would not be similar; an “apples-to-apples” bid evaluation would not be possible.

Though scoped out of this stage, alternatives can be further refined by splitting operations between different sites and/or by using a blend of contracted services and owned facilities.

4. Cost-Benefit Analysis

GHD prepared a cost-benefit analysis to compare the alternatives developed in Section 3.6 with the evaluation criteria established in Section 2. Of these criteria, net GHG benefits, additional diversion, and net present value of the alternatives were calculated in a Microsoft Excel-based financial model while the other criteria were evaluated qualitatively. The majority of the weighted criteria used in the analysis (at 61 percent) is related to the financial model outputs (calculated quantities) while the remainder (39 percent) is based on qualitative scores assigned by the Technical Working Group with input from the GHD project team.

For co-digestion alternatives located at the WBPF, capital and operating costs analyzed are associated with SSO digestion component of the project only. It was assumed that a separate budget would be used to cover capital and operating cost for the digestion and downstream processes of the wastewater sludge from both the LRWRP and the LRPCP. The RNG sales benefit of this option is prorated based on the biomethane generation of each feedstock. Operational and emissions savings from lowered sludge volumes to WBPF and replacement of trucking from LRWRP with a forcemain are apportioned to Pollution Control. This approach conceptually segregates the SSO and sludge and provides the costs and benefits on the SSO side only. Holistic project accounting, illustrating the full costs and benefits of the WBPF options is discussed in Section 4.9.

4.1 Financial Model

The financial model analyzed the 14 shortlisted alternatives each in a high (favourable), medium, and low (unfavourable) scenario. GHD notes that the financial model is most useful to compare options within the same set of assumptions. The values used in the model are appropriate estimates for this level of detail but should not be relied on beyond this comparative analysis, for example as a replacement for front end engineering design cost estimation. Model inputs, outputs, and an example calculation worksheet are provided in Appendix B.



4.1.1 Financial Assumptions

All cashflows are initially calculated in 2021 dollars. They are then inflated to nominal dollars assuming a 2 percent inflation rate, which effectively assumes equivalent cost escalation rates across all costs. The inflated cashflow is then discounted back to 2021 to calculate the net present value of each alternative. Discount rates modelled were 2.2 percent for Regional Partner-owned capital projects (including transfer stations/expansions used for service contract options) and 5.5 percent for BOOT project developers. For simplicity, the transfer stations/expansions were considered part of the BOOT developer-owned works in the BOOT options financial analysis. While this model might not actually be pursued they are a relatively small portion of capex.

Financing capital projects through upfront cash payment versus debt was not analyzed within the financial model as it is considered a non-technical decision to be chosen later. Project financing should be assessed separately once the project approach and timelines are more established.

A small capital grant amount of \$175,000 was assumed for owned capital projects based on currently open funding opportunities from the Federation of Canadian Municipalities (FCM). This is a conservatively low estimate and is essentially inconsequential in the evaluation given the scale of the Project. GHD anticipates significant future federal and provincial grant and loan opportunities for shovel-ready projects tied to climate targets; thus, for AD-based solutions that offset emissions from fossil-derived fuels, such as conventional natural gas.

4.1.2 Feedstock Tonnages

Feedstock tonnages were estimated as described through Section 3.1.

For costing, approximately 10 percent contamination rate was assumed for single and multi-family residential and ICI wastes. This rate is also equivalent to the current diaper and pet waste content as a fraction of organic waste. This inflates the cost of handling waste through the Project. Biogas yields were only calculated for the 90 percent of waste remaining for AD options.

4.1.3 Capital Expenses

Capital expense estimates were based on similar, recent projects in Ontario and Canada. GHD notes that anaerobic digestion is still a developing market in Canada, and prices per design tonne have been on an upward trend. AD costs have been conservatively inflated to account for this. For BOOT options, capital expenses were estimated in the same way as for owned capital projects, but costs were annualized to reflect how they would be charged to the Regional Partners. Capital expenses include:

- Facility site works, buildings, and pre/post-processing equipment, AD/compost process equipment, odour treatment, digestate and residuals storage and receiving.
 - A 10 percent premium is added to the cost for options located at the WBPF for special architectural design considerations and increased construction costs associated with added complexity of interfacing and integrating with critical Pollution Control infrastructure. Co-digestion of residential food waste is still novel in Canada and there is still relatively more uncertainty in the true cost of these types of projects. However, because it is still novel the likelihood of future grant opportunities to offset costs to the Regional Partners is also greatest for co-digestion relative to the other options included in this study.



- For WBPF options, capital costs are associated with SSO digestion only as introduced in 4.1.
- For AD options, RNG upgrading and purification equipment, tail gas treatment equipment, compression and injection equipment, and pipeline extension.
 - For AD options located at the EWR Landfill, additional RNG capacity is added to use LFG. Expansion of the existing LFG collection system, blowers, and flares is excluded; only the additional RNG upgrading equipment is included. Detailed costs for progressive LFG collection system expansion were not analyzed in this report but would be expected to be in the range of \$5-\$15 million dollars to reach its ultimate capacity, not counting operating expenses.
 - A 500 m natural gas pipeline is assumed for WBPF and TS1 options and an 8 km pipeline is assumed for LF and BOOT options. The LF distance is based on previous analysis but others are just estimates based on probability of proximity to suitable gas infrastructure.
- Expanded transfer facilities at existing sites, assuming diverted waste cannot use capacity in existing transfer stations. Expanded transfer capacity is included at Transfer Stations 1 and 2 for all options and at the EWR Landfill for options not located at the landfill. Figures showing the basis for transfer and transport changes are provided below in Figure 4.1.

Not included in the capital expenses are cost of land acquisition/repurposing for all project delivery types.

Further details are enumerated in the assumptions list included within the financial model.

4.1.4 Operating Expenses

Operating expenses were also based on similar, recent projects in Ontario. In the model, tip fees paid to service contract vendors are modelled as operating expenses. For owned capital projects and BOOT projects, operating expenses include:

- Labour
- Utilities (potable water, electricity, natural gas)
- Inputs (such as bulking materials for compost and chemicals for AD)
- Digestate/compost management (dewatering, distribution)
- Residuals management (additional tip fees neglected because they would be disposed to landfill in absence of system)
- For compost, replacement GORE covers

For owned capital projects and BOOT projects, a markup for overhead and profit is applied to the base costs. A 20 percent markup was assumed for operating contractors on owned capital projects and a 25 to 30 percent markup was assumed for BOOT owner/operators.

For LF-AD options, the additional cost of operating RNG equipment for the LFG was expressed in the per tonne opex; however, it does not actually vary per tonne.



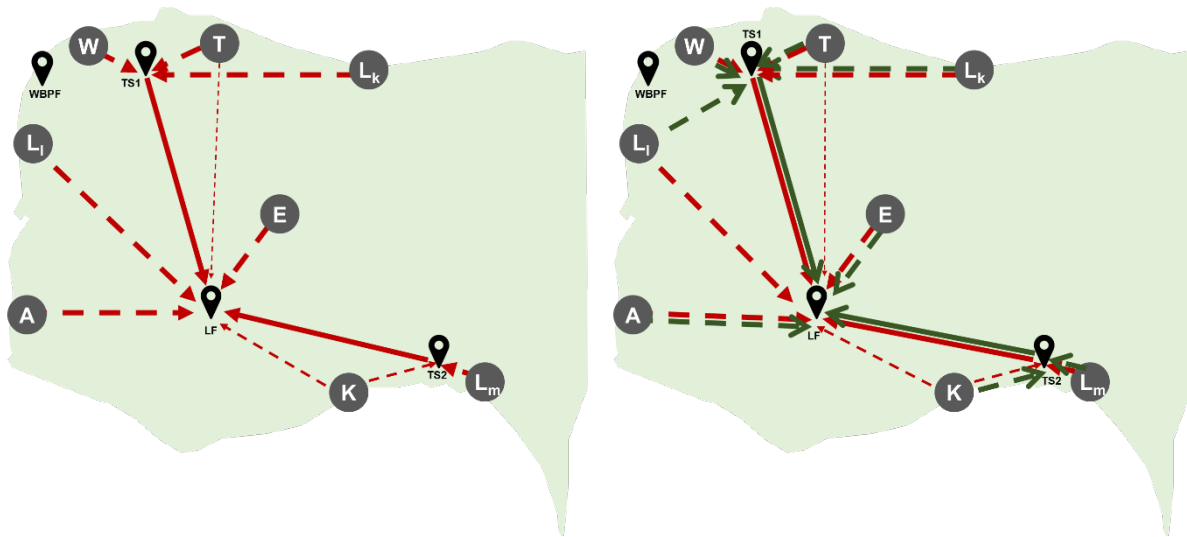
For WBPF (co-digestion options), opex is prorated to SSO tonnage only as introduced in Section 4.1.3.

4.1.5 Transportation Expenses

Also estimated were the changes in costs from the existing system (mixed waste transportation only) to the proposed systems. GHD emphasizes that only the changes in transport from curbside routes to transfer stations/disposal site and transfer vehicle route changes were estimated. This estimation is only for transport (i.e., highway travel) of waste and does not include analysis of how the curbside collection system would change to accommodate new routes, tonnages, schedules, and/or vehicles.

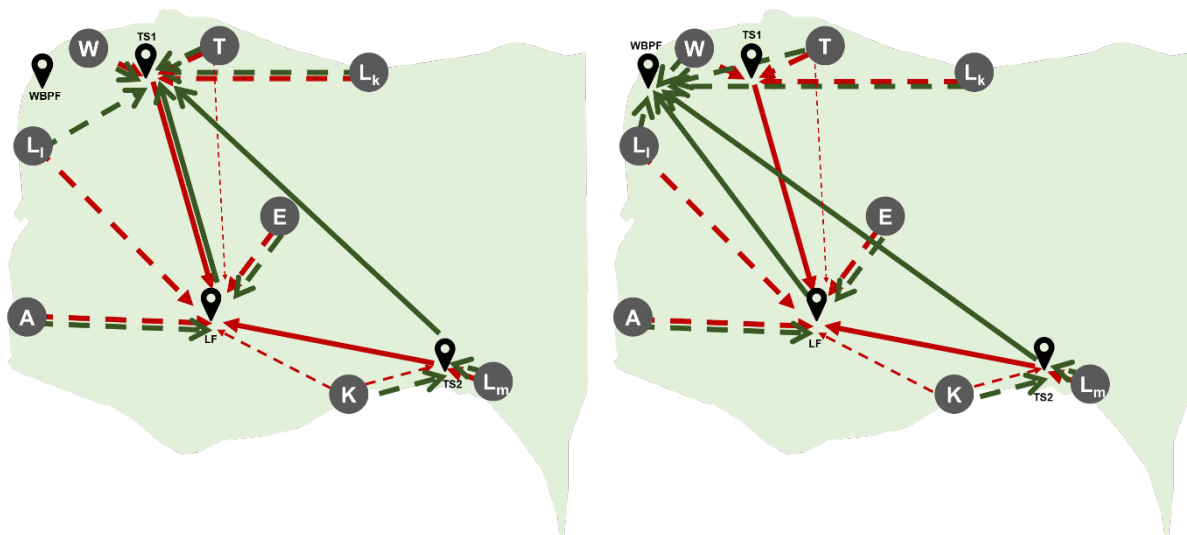
GHD analyzed the additional tonnage-distances that would need to be travelled in proposed systems using EWSWA data on facility throughputs by community of origin and estimated the change in curbside and transfer vehicle tonnage-distances travelled, as depicted in Figure 4.1. Where facilities were sited close to sources of waste and/or improved routing was facilitated by the transfer capacity added, tonnage-distances may be reduced from the current system.

EWSWA transfer vehicle costs were used as a basis to calculate costs from tonnage-distances. Increased distances travelled by curbside vehicles (travel only, no collection) were estimated at 2.5 times transfer vehicle cost, on a per tonne-km basis, to reflect smaller vehicle capacity and higher labour costs. Municipal curbside collection costs did not provide a good basis for estimating increased driving to transfer/disposal sites since they are under very different operating conditions and are priced accordingly.



A: Original Mixed Waste Flow

B: Landfill Site



C: Transfer Station 1

D: WBPf

W: Windsor, T: Tecumseh, A: Amherstburg, Lm: Leamington, Li: LaSalle, K: Kingsville, E: Essex, Lk: Lakeshore, LF: EWR Landfill, TS2: Transfer Station 2, TS1: Transfer Station 1, WBPf: Windsor Biosolids Processing Facility

→ Primary collection (curbside) vehicles
 - - - Secondary collection (trailers) vehicles
 ▶ Mixed waste
 > SSO

Figure 4.1 Conceptual Overview of Transfer and Transportation Changes Under Contemplated Site Locations

Notes: Smaller thickness arrows denote partial waste flows; arrows are not scaled to absolute sizes. In most scenarios, additional transfer capacity is assumed to be added at both transfer stations and the landfill. When sited at the landfill, no additional organics transfer capacity is needed. BOOT and service contract options were modelled similarly to the landfill site option to model a site located within central Essex County, but additional transfer capacity at the landfill was assumed plus 20 km of transfer vehicle travel from the Landfill for waste originating from Essex and Amherstburg.



4.1.6 Economic Benefits

Economic benefits in terms of savings and revenues were estimated from the following sources:

- Tip fees from ICI and multi-family sources. Tip fees earned were modelled with a range from \$100 to \$160/tonne. It was assumed that this material was currently being disposed of at the EWR Landfill and that diverting this material from the landfill would not reduce overall landfill operating costs for the EWSWA. As a result, the normal \$61/tonne landfill tip fee revenue would be lost and net landfill costs apportioned to County municipalities would increase. As such, the lost landfill tip fee revenue was deducted from the potential tip fee at the new facility resulting in a net ICI and multi-family tip fee of \$39 to \$99/tonne.
- For AD options, it was assumed that biogas/LFG would be upgraded and sold at a premium. Comparing natural gas costs forecasts against current RNG contract rates, this choice leads to better overall project performance according to the evaluation metrics chosen. Figure 4.2 compares the natural gas prices in the three carbon pricing scenarios discussed in Section 3.3.3 against the range of RNG prices used in the financial model. For BOOT options, it was assumed that the contract would assign ownership of the RNG to the host Regional Partner allowing revenues to be earned.
- For WBPF options, reduced process natural gas requirements and reduced fees to WBPF are apportioned to Pollution Control and excluded from the financial model. Holistic project accounting is explored in Section 4.9.

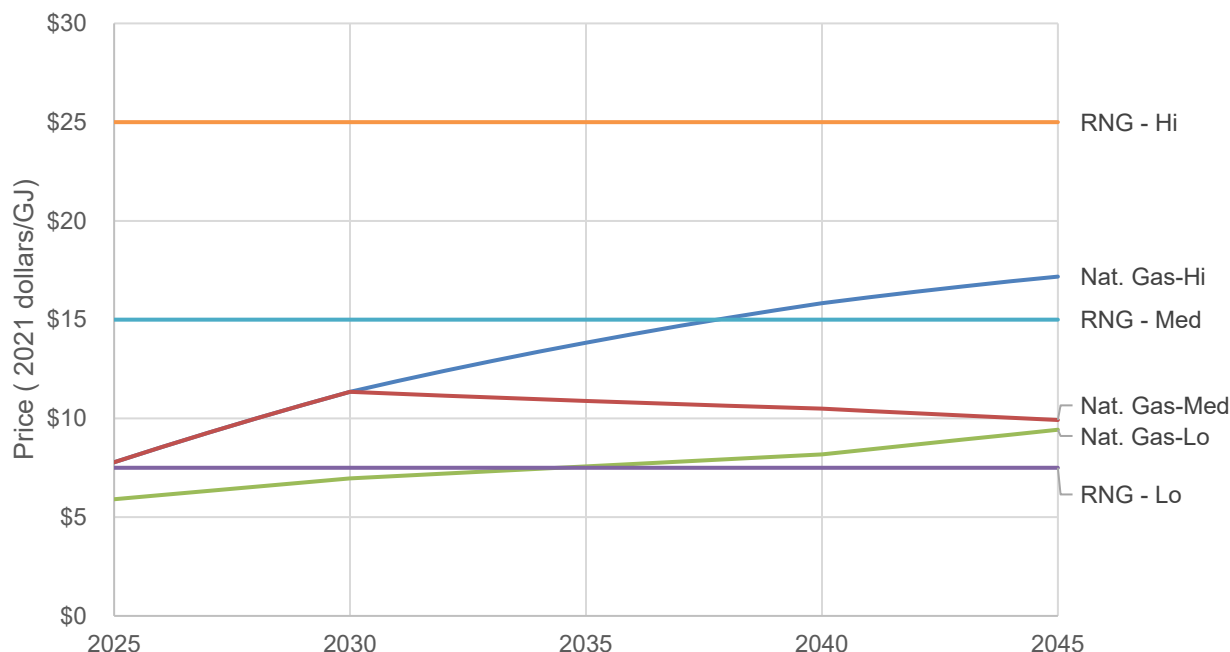


Figure 4.2 Conventional and Renewable Natural Gas Pricing Expectations

Note: Natural gas pricing scenarios (Lo, Med, and Hi) are based on potential GHG pricing scenarios discussed in Section 3.3.3. RNG pricing range (Lo, Med, and Hi) reflects a range of contract prices considered during modelling based on current market rates. RNG contracts are assumed to use a fixed price indexed to inflation fixed for contract term.



The financial model did not implement the following savings:

- Landfill capacity preservation. Actual landfill costs are not elastic so further analysis would be required to determine an appropriate savings, if any, that reflects the airspace not filled with organic waste.

4.1.7 Environmental Benefits

With tonnages and associated methane production already calculated for the above economic elements, the financial model also outputs the following environmental benefits:

- Waste diverted
- Greenhouse gas emissions
 - Emissions from AD and compost processes
 - Change in emissions from transportation changes
 - Emissions savings from landfill methane avoidance

Emissions savings from displacement of natural gas with RNG were not included as a project benefit because these attributes are considered to be owned by the RNG off taker. Regional partners may choose to include them in its internal reporting about sustainability progress, but they would not qualify as unique GHG benefits with financial value.

Baseline landfill gas emissions were estimated based on an LFG model supplied by EWSWA. GHD modelled landfill gas emissions that would have been produced by the diverted organics in each scenario and subtracted these from the baseline to estimate the reduced emissions after diversion. Modelling was completed in the USEPA LandGEM model, version 3.03, using the following inputs:

- Waste tonnages: equal to total waste diverted from landfill from residential and ICI sources and sent to organics processing (excludes wastewater sludge)
- Methane generation potential (L_0): 160 m³ CH₄/wet tonne
- Methane generation rate (k): 0.04/year

Compared to the model supplied by EWSWA, which used $L_0=125$ m³/tonne and $k=0.06$ /year, these parameters model a more methane-rich and readily degradable waste to represent SSO versus mixed MSW. The EWSWA-supplied model assumes that the EWR landfill stops receiving waste in 2040; however, GHD assumed additional LFG production up to 2045 by extrapolating the 2039 emissions value for the last 5-years of the project life to simplify the analysis; this represents a conservative underprediction of LFG production. The landfill gas curve was shown previously in Figure 3.3.

According to the EWSWA-supplied model and monitoring data, current LFG recovery is relatively low at only 6 percent of LFG captured of the forecasted yield, however this portion will increase as the LFG collection system is expanded and final cover is placed over time, especially if incentives exist to maximize LFG capture. For this report, GHD has assumed that by 2025 the system will achieve a 60 percent LFG recovery rate, with low and high bounds of 50 percent and 75 percent



respectively. 75 percent is considered an achievable performance objective for modern LFG collection systems⁶, requiring factors such as:

- Timely closure of cells and expansion of LFG collection system.
- Implementation of horizontal LFG collection trenches (instead of vertical extraction wells) where possible.
- Routine wellfield balancing.
- Regular maintenance of the LFG collection system, including condensate drains, blowers, valves, piping, instrumentation and control systems.

The medium case assumption of 60 percent is a conservative approach intended to compensate for uncertainty.

For WBPF options, GHG benefits of reduced natural gas and electricity consumption at the WBPF associated with decreased wastewater sludge loading to the drying process are apportioned to Pollution Control and excluded from the evaluation.

4.2 Qualitative Criteria

The recovered product quality, site expansion potential, technology expansion potential, and community impact were evaluated qualitatively outside of the financial model.

4.2.1 Recovered Product Quality

Scores from 1 to 5 were assigned based on the expected recovered product quality. The following general scheme was used for assessment:

- Compost options were assigned the highest score of 5 out of 5 as compost is a more biologically stable product with clear provincially mandated quality standards and an established market. In addition, the compost product is screened as a final step, allowing re-screening of material if required.
- AD options were generally assigned a score of 4 out of 5. Digestate is generally less stable than compost as a mesophilic (i.e., approx. 35 degrees Celsius) digestion temperature regime was assumed. Marketability of digestate is strong in Ontario and the market is growing as digestate, if pasteurized, may be registered as a Canada Food Inspection Agency (CFIA) Fertilizer and used unrestricted similar to compost.

There are no major risks with a digestate end-product as compared to compost. Both end-products are successfully marketed in Ontario. The slightly lower score for digestate relative to compost is meant to reflect a less mature market for digestate (though strong and growing) and the ability to re-screen or re-process compost to correct end-product quality issues, which is more difficult to do with digestate without dewatering and composting the digestate cake.

Scores and rationale for adjustments from this general framework are provided in Table 4.1 below.

⁶ Conestoga-Rovers and Associates. 2010. Landfill Gas Management Facilities Design Guidelines. British Columbia Ministry of the Environment. URL: <https://www2.gov.bc.ca/assets/gov/environment/waste-management/garbage/designguidelinesfinal.pdf>



Table 4.1 Recovered Product Quality Score Summary

Option	Summary	Score	Rationale
SC-1	Service contract, SFWTALL	3	Assumed a technology neutral procurement and thus a potential for a digestate end-product. Score was further reduced to reflect that, while product quality risk is transferred to a service provider, the Regional Partners would have less direct ability to improve or correct end-product quality.
SC-2	Service contract, SF8	3	Same as above. Additional tonnage should not impact end-product quality assuming facility sized and designed properly.
NS-C-1	BOOT, SFWTALL	5	Compost, no adjustment. In a BOOT project delivery model, the Regional Partners will have some control over end-product quality specifications and management during operations; more than through a service contract but less than a fully owned facility.
NS-C-2	BOOT, SF8	5	Same as above. Additional tonnage should not impact end-product quality assuming facility sized and designed properly.
NS-AD-1	BOOT, SFWTALL	4	Digestate, no adjustment. In a BOOT project delivery model, the Regional Partners will have some control over end-product quality specifications and management during operations; more than through a service contract but less than a fully owned facility.
NS-AD-2	BOOT, SF8	4	Same as above. Additional tonnage should not impact end-product quality assuming facility sized and designed properly.
LF-C-1	Capital project, Compost, SFWTALL, Lands near landfill	5	Compost, no adjustment. The lands near the landfill have the footprint necessary to permit area necessary to ensure sufficient compost and maturing areas.
LF-C-2	Capital project, Compost, SF8+ICIMF, Lands near landfill	5	Compost, no adjustment. Same as above.
LF-AD-1	Capital project, AD, SFWTALL, Lands near landfill	4	AD, no adjustment.
LF-AD-2	Capital project, AD, SF8+ICIMF, Lands near landfill	4	AD, no adjustment.
TS1-AD-1	Capital project, AD, SFWTALL, Transfer Station	4	AD, no adjustment.
TS1-AD-2	Capital project, AD, SF8+ICIMF, Transfer Station	4	AD, no adjustment.



Option	Summary	Score	Rationale
WBPF-AD-1	Capital project, AD, SFWTALL, WBPF	5	AD, adjusted up to reflect that digestion of biosolids will improve biosolids pellet quality. This option also allows food waste digestate to be marketed through existing pellet markets.
WBPF-AD-2	Capital project, AD, SF8+ICIMF, WBPF	5	AD, same as above.

4.2.2 Site Expansion Potential

Site expansion potential was based on the unused space at each site after installation of the proposed alternative, up to a maximum of an additional 100,000 tpy of space based on the technology selected for the alternative. All proposed sites for owned capital projects except for TS1 had ample extra space above this ceiling:

- Adjacent to the EWR Landfill, the County of Essex owns over 300 ha of land currently used for agriculture.
- At WBPF, the City owns 6 ha of undeveloped land.
- At TS1, there is room for approximately 100,000 tpy of AD capacity. This leaves 80,000 tpy of expansion room for TS1-AD-1 and 50,000 tpy for TS1-AD-2. Note, that this estimate does not include construction staging and laydown areas. Regardless of the initial AD facility capacity constructed, an expansion will be difficult at this site, without significant interruption to site operations, unless the expansion is provided for in the planning and design for the facility.

Table 4.2 Site Expansion Potential Score Summary

Option Code	Summary	Score (out of 11)	Rationale
SC-1, SC-2	Service contract options (all)	9	In a service contract model, it was assumed it would be relatively easy to procure additional processing capacity from third-parties. The score was adjusted down to reflect risk of insufficient processing capacity in the vicinity of Windsor and Essex County which may exist for periods in the future as the Province implements organics diversion policies such as a potential landfill ban.
NS-C-1, NS-C-2, NS-AD-1, NS-AD-2	BOOT options (all)	9	Siting a new waste facility can be difficult. While a BOOT tender may seek to finding a suitable site with the footprint necessary to accommodate expansion, there are risks that expansion space would be limited.
LF-C-1, LF-C-2, LF-AD-1, LF-AD-2	Capital projects on lands adjacent to landfill	11	Ample land available, however existing leases and zoning require changes.
TS1-AD-1	Capital project, AD, SFWTALL, Transfer Station 1	4	Area available for expansion but construction may impact other site operations for an extended period of time.



Option Code	Summary	Score (out of 11)	Rationale
TS1-AD-2	Capital project, AD, SF8+ICIMF, Transfer Station	0	Limited area available for expansion and significant disruption anticipated to existing site operations to facilitate construction.
WBPF-AD-1, WBPF-AD-2	Capital projects using AD at WBPF	10	Area available for expansion but consideration of future WWTP and WBPF needs may be impacted.

4.2.3 Technology Expansion Potential

Technology expansion potential was estimated by conducting a comparative analysis of incremental cost to scale up options. Eight points were available.

Service contract options were scored at 6 since contract provisions can be made to allow excess tonnages but higher tip fees are typically incurred for tonnages above contracted tonnage ranges.

For other options, scores generally scaled up with size. Additional tonnages to smaller plants are more likely to require more extensive capital expenses, such as an additional receiving bay, pre-processing line, or process tank. For compost plants, those serving SFWTALL (16,000 to 24,000 tpy) were assigned a score of 5, for SF8 (22,000 to 33,000 tpy) a score of 6 was assigned, and for SF8+ICMF (41,000 to 57,000 tpy) a score of 8 was assigned. AD plants are scored slightly lower to reflect the increased cost for AD equipment - for AD plants serving SFWTALL (16,000 to 24,000 tpy) a score of 4 was assigned, for SF8 (22,000 to 33,000 tpy) a score of 5 was assigned, and for SF8+ICMF (41,000 to 57,000 tpy) a score of 7 was assigned. For WBPF AD plants a score of 8 of 8 was assigned, as these plants are the largest in scale.

Table 4.3 Technology Expansion Potential Scoring

Option	Summary	Score (out of 8)
SC-1	Service contract, SFWTALL	6
SC-2	Service contract, SF8	6
NS-C-1	BOOT, SFWTALL	5
NS-C-2	BOOT, SF8	6
NS-AD-1	BOOT, SFWTALL	4
NS-AD-2	BOOT, SF8	5
LF-C-1	Capital project, Compost, SFWTALL, Lands near landfill	5
LF-C-2	Capital project, Compost, SF8+ICIMF, Lands near landfill	8
LF-AD-1	Capital project, AD, SFWTALL, Lands near landfill	4
LF-AD-2	Capital project, AD, SF8+ICIMF, Lands near landfill	7
TS1-AD-1	Capital project, AD, SFWTALL, Transfer Station	4
TS1-AD-2	Capital project, AD, SF8+ICIMF, Transfer Station	7
WBPF-AD-1	Capital project, AD, SFWTALL, WBPF	8
WBPF-AD-2	Capital project, AD, SF8+ICIMF, WBPF	8

4.2.4 Community Impact

Community impacts were scored out of 15. These consider the odour potential, traffic impacts, and other nuisances and vary with the alternative's total feedstock throughput, footprint, location, proximity to receptors, adjoining roads, and other factors. As each is unique, assessments are summarized in Table 4.4 below.

Table 4.4 Community Impact Scoring

Option	Summary	Score (out of 15)	Rationale
SC-1	Service contract, SFWTALL	13	Less impact within Windsor-Essex, assuming some or all of the material will be processed outside of Windsor-Essex, but less control over impact at contracted facility. This can be mitigated by considering community impact in procurement of the service contract, so impact to score is not significant.
SC-2	Service contract, SF8	12	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
NS-C-1	BOOT, SFWTALL	10	Compost generally has higher risk of community impact relative to AD because large volumes of air is used in the process which must be managed and treated within the facility. As the location of the new site is not known score was adjusted down to reflect potential of new site being closer to a built-up area.
NS-C-2	BOOT, SF8	9	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
NS-AD-1	BOOT, SFWTALL	12	AD is generally more enclosed in buildings and tanks and therefore there is less risk of fugitive odours or other nuisance impacts as compared with composting. Risk of an unknown site with unknown proximity to neighbours lead to an adjustment of score downwards.
NS-AD-2	BOOT, SF8	11	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
LF-C-1	Capital project, Compost, SFWTALL, Lands near landfill	12	Lands surround the landfill have sufficient space to mitigate potential community impacts from a composting operation and thus assessed similarly to an AD facility located closer to a built up area.
LF-C-2	Capital project, Compost, SF8+ICIMF, Lands near landfill	10	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
LF-AD-1	Capital project, AD, SFWTALL, Lands near landfill	15	An AD facility located near the landfill will have minimal additional community impacts relative to the landfill and may mitigate a portion of community impact of the landfill.
LF-AD-2	Capital project, AD, SF8+ICIMF, Lands near landfill	13	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
TS1-AD-1	Capital project, AD, SFWTALL, Transfer Station	13	An AD facility located at an existing waste transfer site will have minimal additional community impact relative to the transfer station operations. The transfer station



Option	Summary	Score (out of 15)	Rationale
			is in a built-up area and score was adjusted down to reflect potential for fugitive odours.
TS1-AD-2	Capital project, AD, SF8+ICIMF, Transfer Station	11	Same as above, but with more material and truck traffic and thus increased risk of potential impacts.
WBPF-AD-1	Capital project, AD, SFWTALL, WBPF	14	An AD facility located at an existing WWTP site will have minimal additional community impact relative to the WWTP operations. The WWTP is in a built-up area close to the border with the United States and score was adjusted down to reflect potential for fugitive odours and visual impact. The visual impact can be mitigated through architectural requirements in the contract.
WBPF-AD-2	Capital project, AD, SF8+ICIMF, WBPF	13	As above, but with more trucks and material. Proportionately smaller incremental change compared to other sites

4.3 Results and Discussion

Based on the financial model discussed in Section 4.1 and the qualitative criteria scored in Section 4.2 along with the evaluation criteria weightings from Section 2, the evaluation results are presented below in Figure 4.3. Model inputs and outputs are attached as Appendix B. The overall scores presented are the sum of the weighted, normalized criteria scores. A score of 100 percent would indicate the option had the best performance in all categories while a score of 0 percent would mean an option had the poorest performance in all categories.

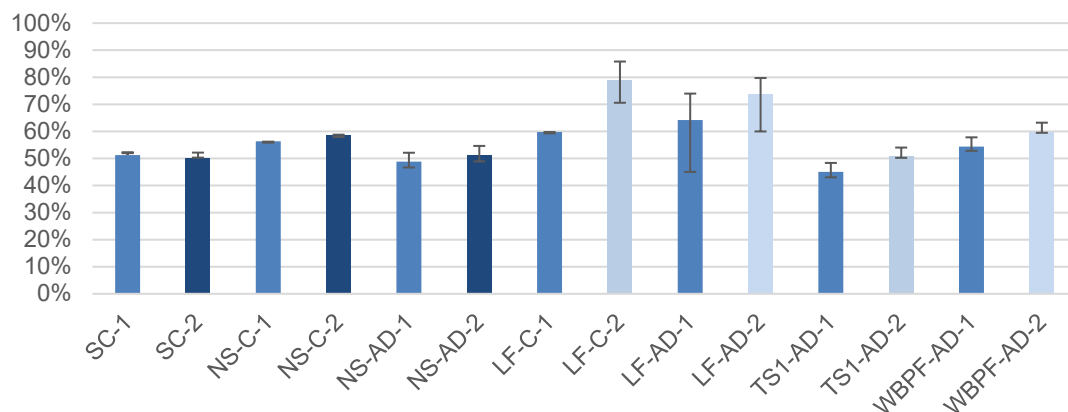


Figure 4.3 Summary of Evaluation Results

Note: Shading of bars is similar among alternatives with common feedstocks, dark for SF8, medium for SFWTALL, and light for SF8+ICIMF. Error bars show variation of relative performance under low and high scenarios. Error bars only characterize the financial model inputs to the evaluation matrix (61 percent of the score), not the qualitative inputs.



Criteria contributions for each option are shown in Figure 4.4 on the following page to show the relative strengths and weaknesses of each alternative.

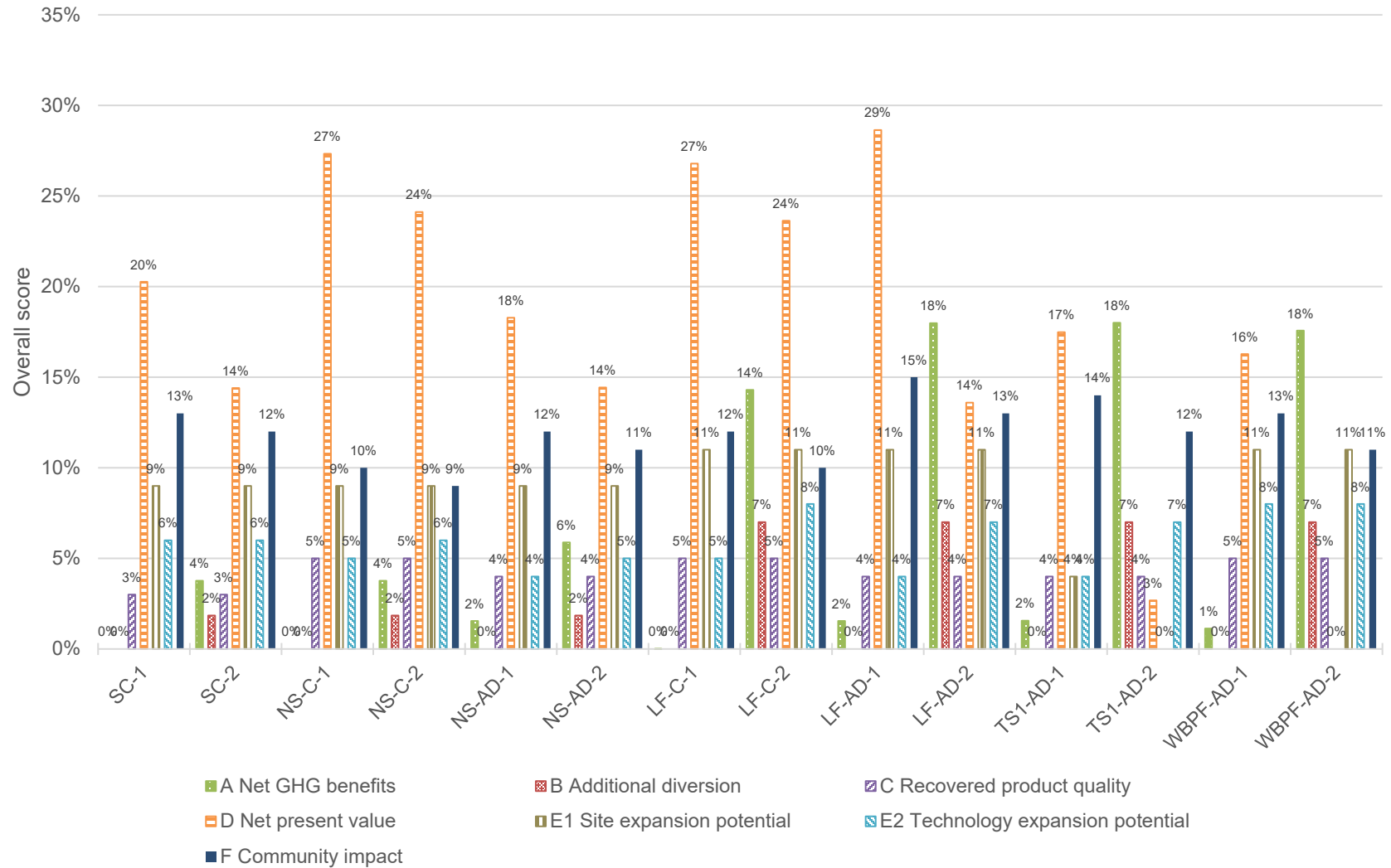


Figure 4.4 Criteria Contributions to Alternative Scores (Medium Scenarios)



Leading Alternatives (64 percent score and higher)

As seen in Figure 4.3, the three leading options, LF-C-2, LF-AD-1, and LF-AD-2, are located at the EWR Landfill and include both compost and AD, each of which drives performance in different ways.

Compost Near Landfill Site

The compost option, LF-C-2, including waste from all eight municipalities with additional capacity for ICI and multi-family residential (SF8+ICIMF, 41,000 to 57,000 tpy) leads scoring at 79 percent due to its much lower cost compared to AD. This larger landfill compost option outperforms the smaller option LF-C-1 plant because of the waste diversion and greenhouse gas benefits; however, this is not due to tipping fees from ICI and multi-family waste.

At current market rates, additional capacity for ICI and multi-family residential waste may not cover its own costs. For each tonne of waste taken out of the landfill, a tipping fee is lost which can only be made up if treatment can be provided for less than approximately \$39 to 99 dollars per tonne (\$100 to \$160 dollars per tonne tip fee at the Project less \$61 per tonne at the EWR Landfill).

Compost can be done within this range with a relatively small margin – per tonne cost estimates for municipal material only were \$78 to \$105 in the analysis. AD is currently more expensive, at minimum \$141 per tonne in the present analysis. Figure 4.5 depicts the ranges in compost and AD system costs and potential tip fees analyzed in the present report. The figure shows visually that compost overlaps with both the SSO tip fees and the SSO tip fee less the landfill tip fee range, indicating it has the possibility to be profitable in some scenarios. AD, on the other hand, would only be profitable in a high tip fee and low process cost scenario on its own. RNG income (\$13 to \$64/tonne SSO processed) helps supplement cost and be more competitive but it still has a narrow margin. As shown in the results, the average cases do not generate new revenues for the Regional Partners from either option, however this is entirely dependent on market rates.

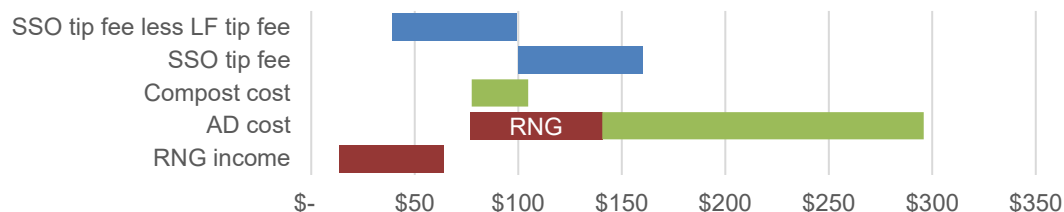


Figure 4.5 Range of Process Costs and Income Sources

Note: Process costs are all-inclusive net costs from the BOOT scenarios as these exclude tip fees and synergies with landfill or wastewater operations. The RNG bar is appended to the bottom of the AD cost range to show the lowest the per tonne cost of AD could conceivably go, with the leftmost extent representing a high RNG price at the same time as a low AD treatment cost.

GHD notes that landfill tip fees are not foregone for any wastes that would not previously have been landfilled at EWR landfill, such as waste from neighbouring municipalities, and ICI and multifamily waste previously sent to other landfills. The present study assumes all waste sent to the organics



processing alternative would have otherwise gone to the EWR Landfill, but outside waste would generate comparatively greater net revenues and would subsidize the cost to the Regional Partners.

Despite the diseconomy of scale due to the market price spread, accepting additional organics at a potential loss is still a cost-effective way of reaching GHG reduction goals. If larger capacity is pursued, in the procurement stage, decisions will need to be made with respect to guaranteed minimum materials, mandatory materials that will be at the risk of the Regional Partners and additional materials that will be at the risk of proponents.

Anaerobic Digestion with Landfill Gas Utilization

The LF-AD options are propelled by the natural synergy with the existing LFG collection system to produce a much greater volume of RNG than digesters alone. In second position and nearly tied for first, the larger option, LF-AD-2, draws waste from all eight municipalities and ICI and multi-family residential sources (SF8+ICIMF; 41,000 to 57,000 tpy) and scores 74 percent, five points behind the leading LF-C-2 option. The smaller option LF-AD-1 draws only single family residential waste from Windsor, Tecumseh, Amherstburg, LaSalle, and Leamington (SFWTALL, 16,000 to 24,000 tpy) and scores 64 percent.

It is worth noting that an LFG utilization project would be of significant GHG and financial benefit to EWSWA regardless of the presence of an AD facility, but co-locating them would streamline permitting and pipeline construction. In the financial model, the additional RNG capacity for the LFG system has a capex of approximately \$100 million including RNG pipeline expansion, opex of approximately \$6 million per year, and RNG revenues of \$16 million per year (at \$15/GJ, indexed to inflation), giving it an approximately 10-year payback period.

These costs are considered marginal, above the cost of LFG collection system expansion which would be incurred anyway in compliance with regulation. In actuality, greater expense may be incurred to expand, operate, and maintain the landfill gas collection system with the RNG incentive in place compared to regulatory compliance only, but a strong business case would remain after building in additional marginal costs to cover this. The additional marginal costs were not considered significant relative to the scale of the Project and margin of error of this study.

In addition to the financial business case, this much RNG production would displace over 55,000 tCO₂e of natural gas emissions per year on top of incentivizing better landfill methane avoidance which has a much greater impact – the equivalent amount of gas emitted without flaring would otherwise emit approximately 480,000 tCO₂e/year.

Next Contenders (54 to 60 Percent Score)

Outside LF-AD-1 and -2 and LF-C-2, the next choices are the small landfill compost option LF-C-1 in 4th, the WBPF options (5th and 8th position for the large and small options, respectively), and the BOOT compost options in 6th and 7th, again with the larger option leading.

LF-C-1 has a slightly better NPV than LF-C-2 because it does not accept ICI and multi-family waste, it scores lower on diversion and GHG avoidance. Compared to BOOT compost options it scores better on site factors (community impact, expansion potential).

WBPF options had lower NPVs to similar size ADs at the non-landfill sites but gain points for having a large site and contributing to a better quality product (pelletized digestate). WBPF-AD-2 has the



lowest NPV of all options, but trades that off for greater diversion and GHG benefits against its counterpart WBPF-AD-1. Because the cost and benefits related to the sludge handling were excluded from this analysis, this relatively lower ranking of the WBPF options discounts the many advantages that a co-digestion approach could have for Windsor, Lasalle, and Tecumseh who currently rely on the WBPF. Section 4.9 explores these advantages quantitatively with a holistic accounting analysis to complement this result. In the holistic analysis, the WBPF options score in 4th and 5th place and would potentially be considered among the “leading options”.

The BOOT compost options share a good NPV with other compost options and are only differentiated by site factors and community impact.

Weaker Scores (45 to 51 Percent Score)

The next choices at the bottom of the ranking are the service contracts (9th and 12th places, with the smaller option leading), BOOT AD alternatives (10th and 13th place with the larger option leading), and Transfer Station 1 AD options (11th and 14th with the larger option leading). BOOT AD options perform better on community impacts than BOOT compost projects but have lower NPV.

Service contracts scored lower on NPV than their BOOT Compost counterparts but better on community impacts than BOOT AD because they do not present additional impacts. Service contract options have key advantages such as short time from tender to start up, placement of risk on vendors, and competitive market pricing. In the current Project, they tended to score weakly for the following reasons:

- Tonnage options were limited to municipal waste only, so less diversion and GHG reduction potential was available from landfill methane avoidance.
- Renewable energy (if any) would be owned and sold by the vendor.
- Tipping fees were determined, based on recently let contracts known to GHD, to be more expensive than owned or BOOT style projects.
- Recovered product quality cannot typically not be assured to the same degree as if the municipality owned the facility and contracted operations directly.

GHD notes that most of the cost of the service contract options (approximately 87 percent) is for the tipping fee while the rest is for increased transfer capacity and waste transportation. Other factors remaining the same, if tip fees were offered in the \$70 per tonne range, service contracts would be competitive with BOOT options. Though GHD has provided estimate of tip fees, actual prices for the quantities sought can only be determined through tendering. Transfer and transport savings can also reduce the minimum viable tipping fee to a smaller extent. While service contract options are not the best fit for the Regional Partner’s requirements, they may play a valuable role in managing transitions, such as when the Project is being implemented or requires expansion.

Lastly, Transfer Station 1 options ranked low due to space constraints at the site and high costs of AD. However, some of the key advantages of this site were not factored into the evaluation, including integration with existing waste operations, potential integration with transit operations (i.e., compressed RNG fueling) and potential to power an expanded District Energy Windsor system. The assumption for all AD scenarios was sale of RNG to utility, so these offtakers could not be considered. While these options have a greater potential for maximizing benefit to cost, they are



also less certain than RNG sale to utilities. GHD notes however that these options would have an outsized impact on fossil fuel displacement when combined with fuel switching (from conventional heating and cooling to district energy, from diesel to compressed RNG).

4.4 Financial Outlook

Net present value was weighted at 36 percent in the evaluation, but is of key importance to understand for budgeting purposes. This section will provide an overview of financial performance of the alternatives. To begin, Figure 4.6 summarizes the net present value of each alternative for the 2025-2045 project life⁷.

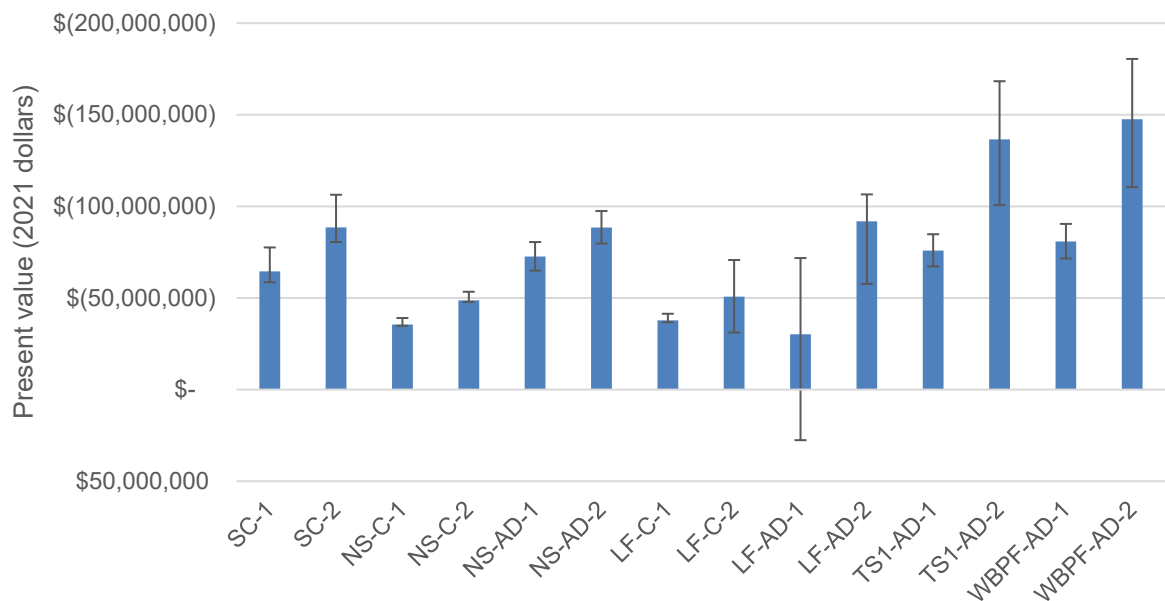


Figure 4.6 Net Present Value of Alternatives

Note: Negative net present values (up on the chart) are net costs; A shorter bar is a greater NPV result. Error bars show variation for high and low scenarios.

While LF-AD-1, ranked in third overall, has the greatest NPV associated with the greater RNG revenues with limited AD operations, NS-C-1 and -2 and LF-C-1 are the next best by virtue of their low capital and operating costs; ahead of LF-C-2 which was ranked first overall for its greater diversion and GHG benefits. LF-AD-1 also has the highest degree of variability and uncertainty in results. LF-AD-1 can result, under a limited and unlikely combined set of circumstances, in a net positive NPV. However, it can also result, in certain circumstances, with a poorer NPV than other leading options.

LF-AD-2, ranked in a close second overall, has a worse NPV than all other options except for the other AD accepting ICI and multi-family waste as the RNG revenues largely shared by LF-AD-1 are

⁷ GHD notes that variation shown in the error bars represents compounded low scenario assumptions. AD options are more complex and use more assumptions so the error bars are larger, mathematically, but the probability of performing at the low or high points is comparatively lower. Still, more variables means more risk, which the error bars illustrate even if they are not proportionate.



diminished by the loss on ICI and multi-family wastes. Figure 4.7 disaggregates the present values of the capex, opex, and financial benefits that make up the NPVs; the same information is tabulated in Table 4.5.

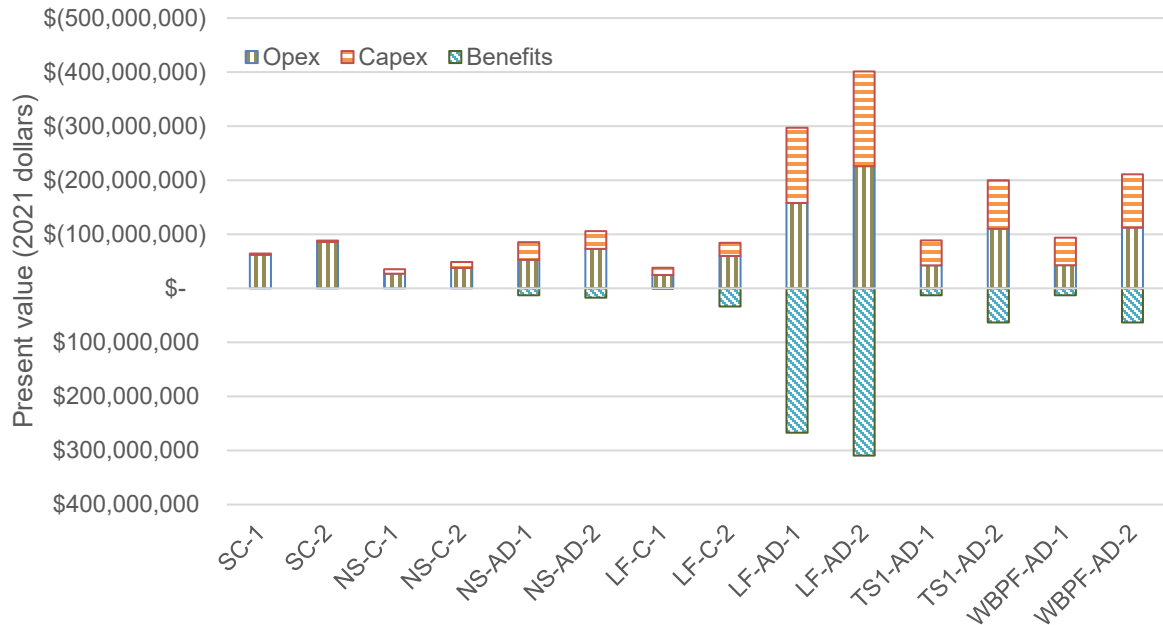


Figure 4.7 Present Value Contributions of Capex, Opex and Financial Benefits (2021 Dollars; Approximate)

Table 4.5 Present Value Contributions of Capex, Opex and Financial Benefits (2021 Dollars; Approximate)

Alternative	Opex	Capex	Benefits	Net Present	Cost per tonne
SC-1	\$(62,134,000)	\$(2,372,000)	\$ -	\$(64,506,000)	\$169
SC-2	\$(85,686,000)	\$(2,855,000)	\$ -	\$(88,541,000)	\$170
NS-C-1	\$(27,056,000)	\$(8,488,000)	\$ -	\$(35,544,000)	\$ 93
NS-C-2	\$(37,733,000)	\$(10,983,000)	\$ -	\$(48,716,000)	\$ 93
NS-AD-1	\$(52,846,000)	\$(32,474,000)	\$12,690,000	\$(72,630,000)	\$191
NS-AD-2	\$(72,989,000)	\$(32,784,000)	\$17,348,000	\$(88,425,000)	\$170
LF-C-1	\$(24,832,000)	\$(13,107,000)	\$174,000	\$(37,765,000)	\$ 99
LF-C-2	\$(59,956,000)	\$(24,281,000)	\$33,526,000	\$(50,712,000)	\$ 97
LF-AD-1	\$(157,976,000)	\$(139,240,000)	\$267,048,000	\$(30,169,000)	\$ 79
LF-AD-2	\$(225,940,000)	\$(175,370,000)	\$309,476,000	\$(91,834,000)	\$176
TS1-AD-1	\$(42,585,000)	\$(46,182,000)	\$12,864,000	\$(75,903,000)	\$199
TS1-AD-2	\$(110,408,000)	\$(89,480,000)	\$63,289,000	\$(136,598,000)	\$262
WBPF-AD-1	\$(42,922,000)	\$(50,800,000)	\$12,864,000	\$(80,858,000)	\$212
WBPF-AD-2	\$(112,446,000)	\$(98,428,000)	\$63,289,000	\$(147,584,000)	\$283



Disaggregating the costs, it can be seen that expenses for the larger owned AD options (processing waste from all municipalities and ICI and multi family; SF8+ICIMF) and LF-AD-1 are pushing \$200 million while others are below. This is partly due to their scale and partly due to the cost of AD and RNG technology. The LF-AD options carry a much higher capital and operating cost for the RNG upgrading system and pipeline. However, these costs are expected to be offset by RNG sales. While the greater magnitudes of investment and return introduce risk, this risk if suitably managed, would provide more local economic stimulus over the project life, bringing in fees from outside the County and providing employment for design, construction, operations, and maintenance.

NPV is expressed per tonne of single family municipal SSO in Figure 4.8 and Table 4.6 shows how this translates to average annual costs prorated to each municipality by tonnage.

While there are economies of scale around capex for adding additional municipalities to the system, it is hidden by the increased transportation and transfer needs for the SC (Service Contract) and NS-C (New site – Composting) options. Transportation and transfer costs were assumed to be part of waste collection and therefore apportioned to the municipality bearing that additional cost proportional to the tonnage of diverted organics.

The economy of scale is most clearly seen in the NS-AD options due to the relatively higher costs. In general, though, economies of scale for adding more municipalities are reversed by accepting (and effectively subsidizing) ICI and multifamily residential organics. The present report did not model middle size AD options serving all municipalities only (SF8), but these options would outperform the SFWTALL counterparts (with lower capex per tonne processed) while not incurring the costs associated with foregoing landfill tip fees that the SF8+ICI options do.

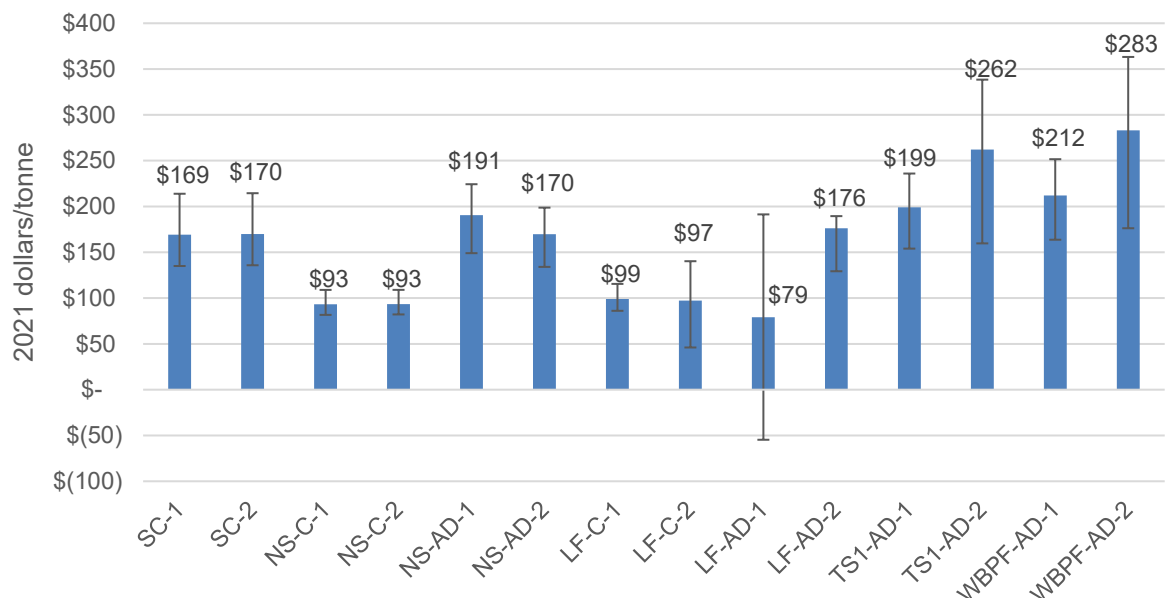


Figure 4.8 Average Cost Per Tonne of Municipal Residential SSO Collected

Note: Error bars show variation in high and low scenarios.



Table 4.6 Projected Approximate Average Annual Costs by Municipality (2021 Dollars, Medium Scenario)

Option	Amherstberg	Essex	Kingsville	Lakeshore	Lasalle	Leamington	Tecumseh	Windsor
SC-1	\$345,000	\$-	\$-	\$-	\$289,000	\$277,000	\$245,000	\$2,264,000
SC-2	\$347,000	\$400,000	\$389,000	\$472,000	\$290,000	\$278,000	\$247,000	\$2,274,000
NS-C-1	\$190,000	\$-	\$-	\$-	\$159,000	\$153,000	\$135,000	\$1,248,000
NS-C-2	\$191,000	\$220,000	\$214,000	\$260,000	\$160,000	\$153,000	\$136,000	\$1,251,000
NS-AD-1	\$389,000	\$-	\$-	\$-	\$325,000	\$312,000	\$276,000	\$2,549,000
NS-AD-2	\$346,000	\$400,000	\$388,000	\$471,000	\$290,000	\$278,000	\$246,000	\$2,271,000
LF-C-1	\$202,000	\$-	\$-	\$-	\$169,000	\$162,000	\$144,000	\$1,326,000
LF-C-2	\$199,000	\$229,000	\$223,000	\$270,000	\$166,000	\$159,000	\$141,000	\$1,302,000
LF-AD-1	\$162,000	\$-	\$-	\$-	\$135,000	\$129,000	\$115,000	\$1,059,000
LF-AD-2	\$360,000	\$415,000	\$403,000	\$489,000	\$301,000	\$288,000	\$256,000	\$2,358,000
TS1-AD-1	\$406,000	\$-	\$-	\$-	\$340,000	\$326,000	\$289,000	\$2,664,000
TS1-AD-2	\$535,000	\$617,000	\$600,000	\$728,000	\$447,000	\$429,000	\$380,000	\$3,508,000
WBPF-AD-1	\$433,000	\$-	\$-	\$-	\$362,000	\$347,000	\$308,000	\$2,838,000
WBPF-AD-2	\$578,000	\$667,000	\$648,000	\$786,000	\$483,000	\$463,000	\$411,000	\$3,790,000



4.5 Risk Considerations

As highlighted above, larger projects accepting ICI and multi-family organics were not predicted to result in a financial gain in the present market, but these options still scored higher for their better waste diversion and environmental performance. These benefits come with additional potential risks for the Regional Partners, including a number specific to the host municipality.

The most significant risks to building and owning a facility that is larger than is required to meet minimum OPPS requirements for Windsor, Tecumseh, Amherstburg, LaSalle and Leamington can be summarized as follows:

Table 4.7 Risks of Building for Additional Organics

Risk	Description of Risk	Potential Mitigation Measures
Less SSO collected than anticipated	Collection programs not yet designed or implemented. Risk that less SSO materializes than anticipated. This is not a risk that can be transferred to a contractor cost effectively as they have no ability to manage this risk.	Phase project implementation: structure procurement to include an allowance for future expansion Include ability to source SSO from neighbouring municipalities.
Less revenue from ICI material	Less material or less gate fees are realized during operating period, potentially due to competition from other facilities.	Transfer risk to contractor by making this an optional material that they include in their proposal at their own risk. Partner with local ICI sources and secure longer term processing contracts.
Less revenue from horticultural wastes	Less material or less gate fees are realized during operating period, potentially due to competition from other facilities. This risk increases if materials are made more suitable for AD at the source.	Transfer risk to contractor by making this an optional material that they include in their proposal at their own risk. Partner with local sources and secure longer term processing contracts.
Horticultural wastes too difficult to process	Horticultural wastes include wire and plastics that are difficult to separate. If a technical solution to separating this material at the source or removing this material at the facility cannot be found, this material will not be processable. In addition, this material is not easily digestible (e.g., high cellulosic) and not easily compostable (e.g., high moisture content); and requires additional processing or additional bulking amendment to digest or compost effectively.	Continue to consult with greenhouse growers association to pursue source separation opportunities. Transfer risk to contractor by making this an optional material that they include in their proposal at their own risk.
Increased potential for community impact	More material increases truck traffic and increases risk of potential off-site impacts to the community.	There are sufficient experience operating AD facilities in Ontario that the contract can include the necessary design and operating requirements to address community concerns Early and effective community stakeholder engagement.



4.6 Greenhouse Gas Abatement Costs

Another useful way of examining the alternatives is to look at their GHG abatement costs. The average GHG abatement cost is the cost per unit of GHG emissions reduced by the alternative. NS-C-1, a BOOT compost facility sized to meet regulatory obligations of Windsor, Tecumseh, Amherstberg, Lasalle, and Leamington only, is the lowest gross cost and simplest Project possible and can be considered as a baseline. Because the baseline automatically generates GHG benefits, larger projects can be compared to it using a marginal abatement cost, equal to the additional GHG savings divided by the additional cost. Both the average abatement cost and marginal abatement cost are shown in Figure 4.9 below.

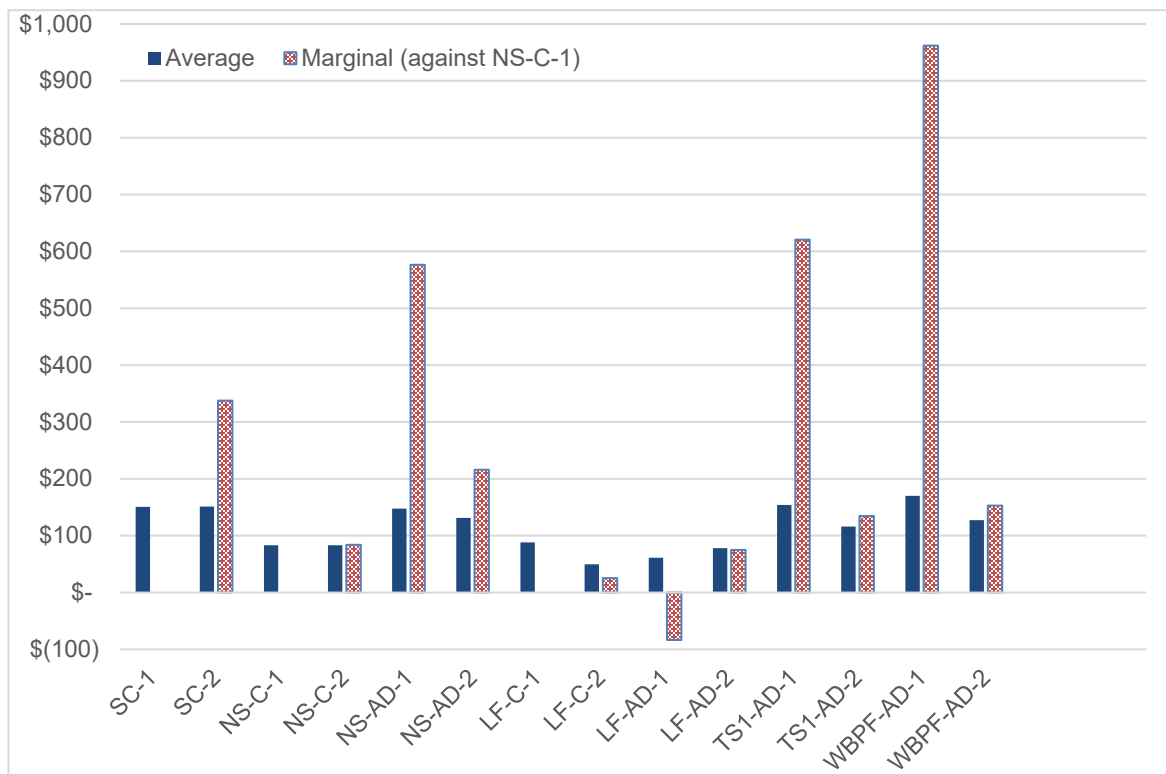


Figure 4.9 Average and Marginal GHG Abatement Costs of Alternatives

Note: margins are calculated against NS-C-1. Marginal abatement costs are not shown for other compost options accepting SFWTALL waste because they have very small marginal emissions savings. GHG benefits of RNG are excluded within this study. *Asterisked WBPF-AD options are based on holistic accounting and assuming WBPF decommissioning which is discussed in Section 4.9.

Marginal abatement costs are comparable to other GHG emissions reductions available to the Regional Partners because they measure the effectiveness of each additional dollar invested in emissions-saving measures. Negative abatement costs arise where an option saves both money and GHGs against its baseline. LF-AD-1 shows a negative marginal abatement costs, meaning it would make sense to pursue it whether or not GHG savings were important.

On the other end of the scale, options that yield proportionately less GHG savings per dollar than the baseline (NS-C-1) have a marginal abatement cost above the baseline's average abatement cost.



This is the case for most of the projects shown, as the initial GHG savings associated with reducing landfill methane emissions are cheapest while increased efforts cost proportionately more.

RNG produced benefits are not accounted to the Project as it would be owned by the offtaker and is accounted in the cost component of the marginal abatement costs above. RNG itself, if priced at \$15/GJ, has an abatement cost of approximately \$290/tCO₂e.

For comparison, as previously mentioned, the Treasury Board of Canada uses a “shadow carbon price” of \$300/tCO₂e, representing their estimate of the actual cost to reduce GHG emissions⁸. According to the International Energy Agency, marginal abatement costs for common interventions range from approximately -\$180 to \$265/tCO₂e USD (\$230/tCO₂e to \$345/tCO₂e CAD)⁹. In any case, negative marginal abatement costs should be pursued first, followed by the next lowest positive marginal abatement cost projects to most economically realize GHG savings.

4.7 Weighting Sensitivity Analysis

In order to determine the importance of weightings, GHD varied weightings for the three groups of criteria (environmental, economic/operational, and social) to study the effect on overall score. For each test, the group weighting was increased by 50 percent and other categories proportionally reduced. Results are summarized in Figure 4.10.

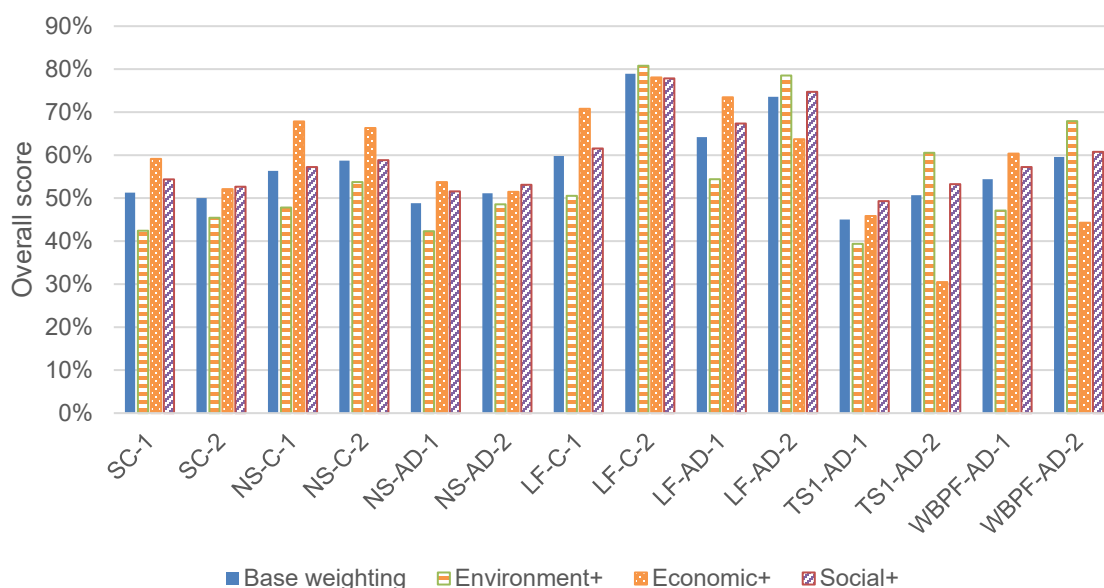


Figure 4.10 Weighting Sensitivity Analysis Results

Note: Environment+, Economic+ and Social+ scenarios increase their respective criteria weights by 50 percent

⁸ Treasury Board of Canada. 2020. Greening Government Strategy: A Government of Canada Directive. URL: <https://www.canada.ca/en/treasury-board-secretariat/services/innovation/greening-government/strategy.html>

⁹ International Energy Agency. 2020. GHG abatement costs for selected measures of the Sustainable Recovery Plan. URL: <https://www.iea.org/data-and-statistics/charts/ghg-abatement-costs-for-selected-measures-of-the-sustainable-recovery-plan>



The 50 percent variation tended to preserve at least two of the top three options. LF-C-2 remained the top alternative in all three tests. LF-AD-2 remained in second, but by a closer margin in the environment and social biased tests but was dropped to sixth place in the economic test due to its lower NPV. LF-AD-1 also remained in the top three for two of three tests.

The results of each test were:

- **Environment+:** LF-C-2 remains in first, LF-AD-2 remains in second, and WBPF-AD-2 comes up from below to third. This is due to the end product quality criterion, as all three options have similar waste diversion and GHG performance. LF-AD-1 drops out for its lower waste diversion and GHG benefits.
- **Economic+:** LF-C-2, the second best NPV option remains in first with its environmental benefits. LF-AD-1, the best NPV option, makes gains to move into second. LF-C-1, the third best NPV option comes into third from below with the NS-C options, the next best NPV performers, close behind. LF-AD-2 drops dramatically from second to sixth.
- **Social+:** The top three are preserved in the same order.

These tests demonstrate that LF-C-2, LF-AD-2, and LF-AD-1 are competitive from a variety of category weighting perspectives, but LF-C-2 remains the preferred option due to its strong NPV and high waste diversion. It should be noted that in this evaluation, GHG reduction was not a major differentiator between AD and compost, but it was between larger and smaller options. Because the GHG benefits of the renewable energy associated with AD are sold, they would effectively appear as reductions gained by the RNG offtaker. However, all RNG options result in greater global GHG benefits.

4.8 Transportation and Transfer Impacts

One of the results of the transportation change analysis was that in all options, curbside vehicles were estimated to have less driving due to the addition of more transfer capacity which was particularly important for LaSalle (which sends curbside vehicles directly to the EWR Landfill, rather than consolidating waste at Transfer Station 1 as modelled) and Kingsville (which sends just under half of its waste directly to the EWR landfill rather than consolidating at Transfer Station 2 as modelled). Tecumseh also sends about a tenth of its waste directly to the EWR Landfill, and other communities send small amounts as well.

For transfer vehicles, all options had increased tonnage-distances except for the TS1 and WBPF options, which are closer to the centroid of waste (BOOT and service contract options were assumed to be located in central Essex County).

The net result was that many options gained significant operating savings from improved routing before any other changes were accounted for. Compared to other costs and emissions transportation had a small effect and was not a deciding factor in rankings. However, GHD notes that if service contract or BOOT options are located outside of Essex County, results may differ. Of the EOI respondents, one (Seacliff Energy) is located within Essex County.

4.9 Wastewater Sludge Inclusion

The evaluation to this point has pointed to co-digestion options having middling results, with good environmental performance but high expenses which cause it to be dominated by other options, even in the weighting sensitivity analysis where its strengths were played to it achieved third position at most (WBPF-AD-2). By segregating the wastewater aspect of this option, the analysis is constrained and does not fully capture the benefits of this option. Figure 4.11 below summarizes how the base project accounting used in this report up to this point is completed.

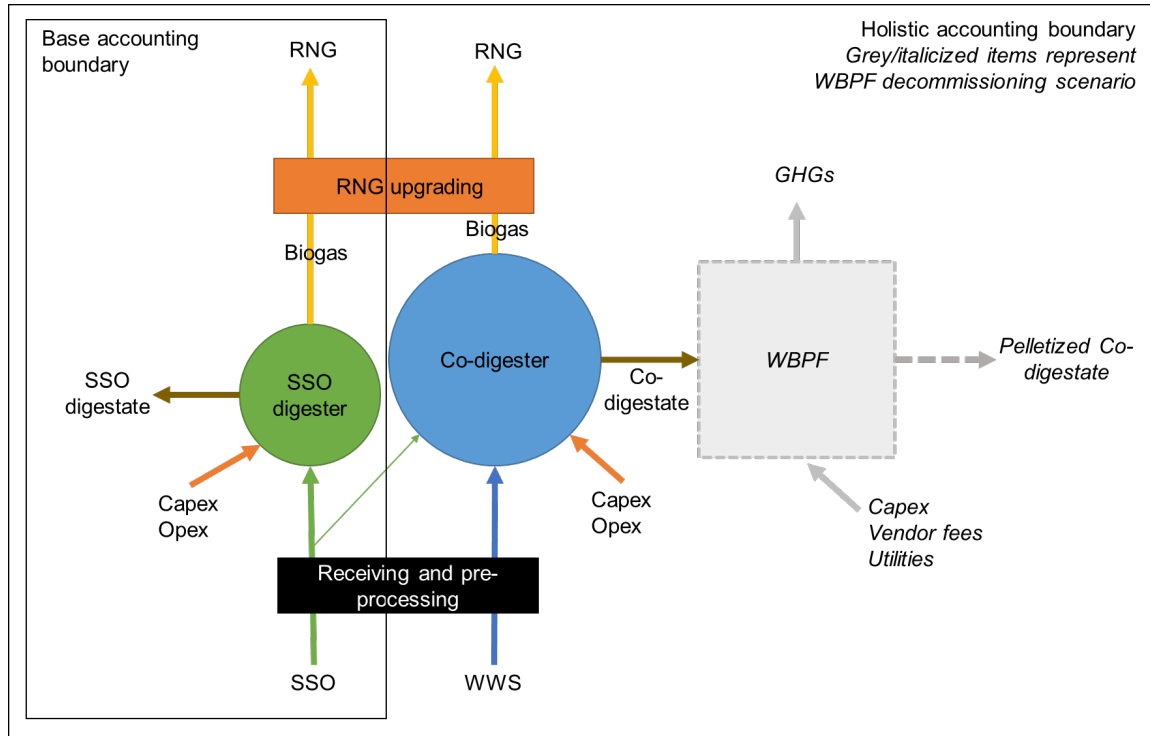


Figure 4.11 Conceptual overview of WBPF alternatives accounting

Note: Bisected elements have costs prorated in the base accounting. Though this figure is primarily intended to illustrate the accounting boundaries, it also illustrates the concept of using (at least) two digester tanks to optimize co-digestion.

A more holistic analysis to inform the discussion on whether to include wastewater sludge can be formed by including all the costs and benefits of the wastewater sludge handling aspects within the analysis, considering the additional biogas production and operational savings from integrating processes. This boundary is also indicated in Figure 4.11. The accounting for the exact same alternatives can be repeated with the wider boundary that encapsulates the costs and benefits associated with SSO and wastewater sludge (WWS) digestion.

The holistic accounting opens up the possibility of quantifying the potential decommissioning the WBPF; this study up to now has assumed continued operation of a WBPF as that is the current scenario. For this case, no costs of decommissioning or amending current contracts were included in the analysis, however by the same token the existing plant could potentially be adapted for use in a co-digestion system and generate some savings.



Figures 4.12 and 4.13 summarize financial indicators of the alternatives under the base and two modified accounting methods. In Figure 4.13 costs are normalized to SSO tonnages only. This accounting assumes that Windsor Pollution Control continues to pay a similar fee for sludge handling into the Project.

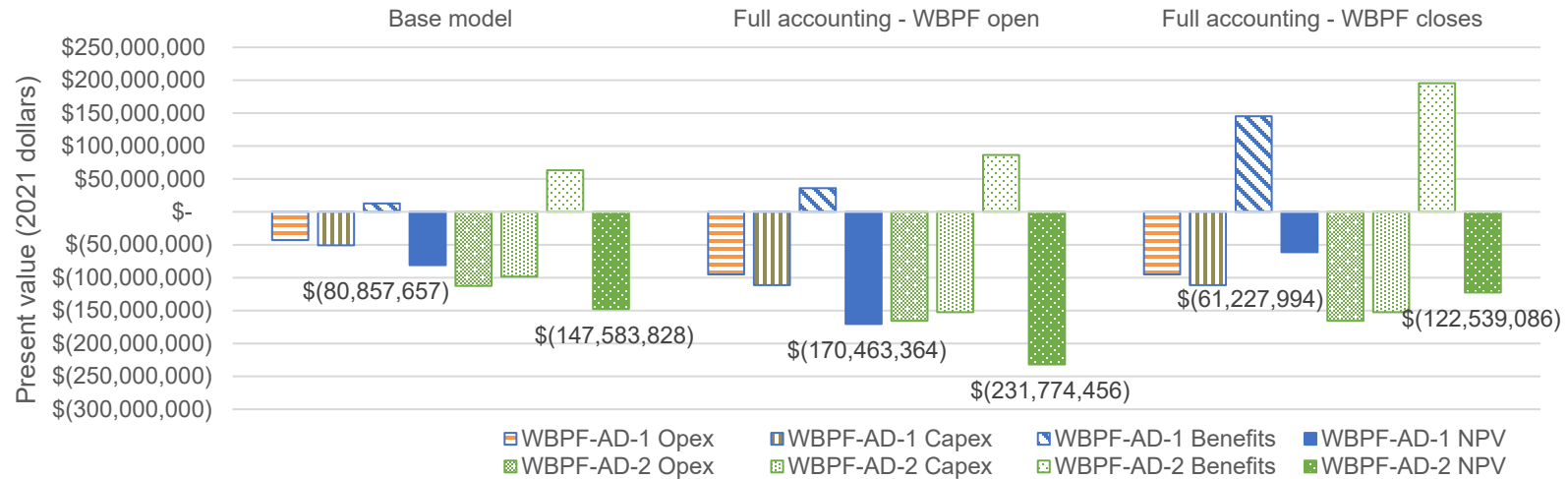


Figure 4.12 Summary of WBPf Present Value by Alternative Accounting Methods

Note: Medium scenario results shown. Data labels for present values are for net present value only (the sum of the bars to its left).

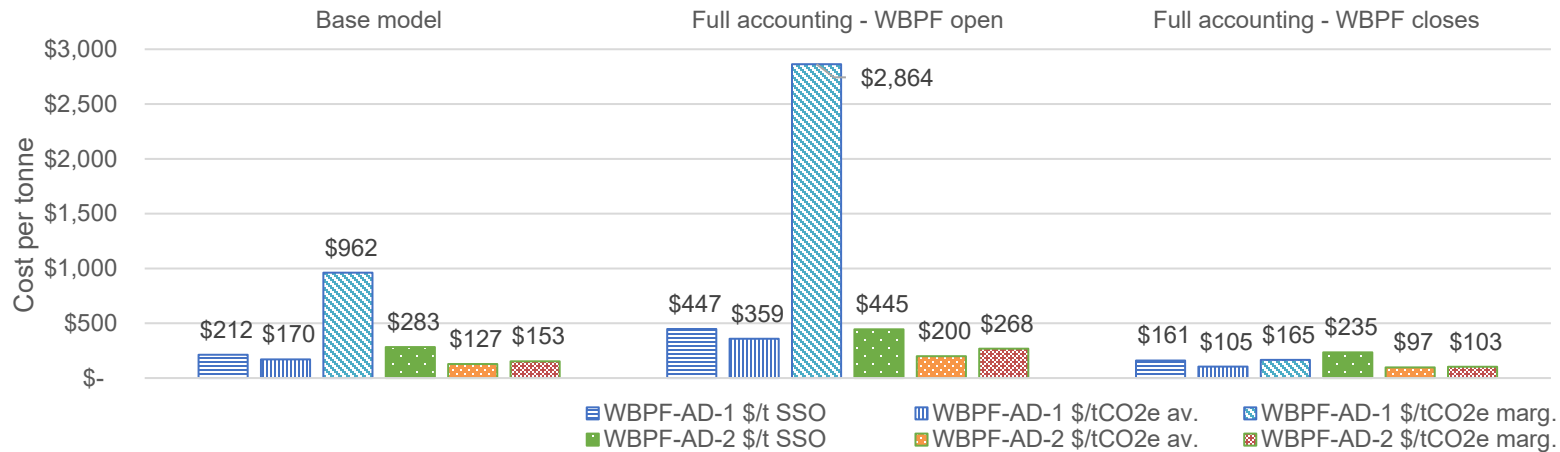


Figure 4.13 Summary of WBPf Per Tonne Costs by Alternative Accounting Methods

Note: Medium scenario results shown. av.: average; marg.: marginal GHG abatement costs



Between the base accounting and the full accounting of the WBPf options, all costs increase. Although wastewater sludge is relatively less expensive to handle than SSO (less pre-processing, simpler receiving process for LRWRP waste, etc.), it generates more net biogas, and results in some operational savings by reducing the amount of sludge sent to drying, these benefits are less than the additional cost of digesting the material. This translates to a higher fee per tonne SSO.

In the first full accounting scenario, the sludge is subjected to two stabilization processes, generating redundancy. If the WBPf is decommissioned and the AD process becomes the only stabilization method used, then the project economics improve greatly, becoming 24 percent (WBPf-AD-1) and 17 percent (WBPf-AD-2) less expensive, as can be seen in the NPV and treatment cost per tonne SSO in Figure 4.12 and 4.13, respectively. GHD reiterates that the costs per tonne shown in Figure 4.13 are for SSO; sludges were afforded a similar cost to the current solution in the model. If the sludge treatment was subsidized above current rates, savings would be realized on the SSO side.

Compared to the costs per tonne SSO, a much larger change occurs in the GHG abatement costs. Compared to the base model, the average and marginal abatement costs fall by 38 and 83 percent, respectively, for WBPf-AD-1 and 24 and 33 percent, respectively, for WBPf-AD-2 due to the cessation of natural gas combustion at the WBPf. As highlighted earlier in Figure 3.2, the WBPf comprises approximately 37 percent of the City's corporate natural gas usage and is the largest single gas consumer in the portfolio, emitting approximately 5,000 tCO₂e/yr. When compared with the other alternatives, this GHG savings along with the improved economics puts both WBPf tied with others for 3rd and 4th place, respectively, as shown in Figure 4.14. In the below weighting, the end product quality score was also adjusted down to 4 to be consistent with other AD options.

GHD notes, however, that if the WBPf is decommissioned, an additional digestate pasteurization or stabilization step may be required depending on the target market for the digestate. Without the pasteurization steps digestate marketing would likely be limited to bulk agricultural land application. The cost to pasteurize the digestate would be significantly less than drying and pelletizing the digestate.

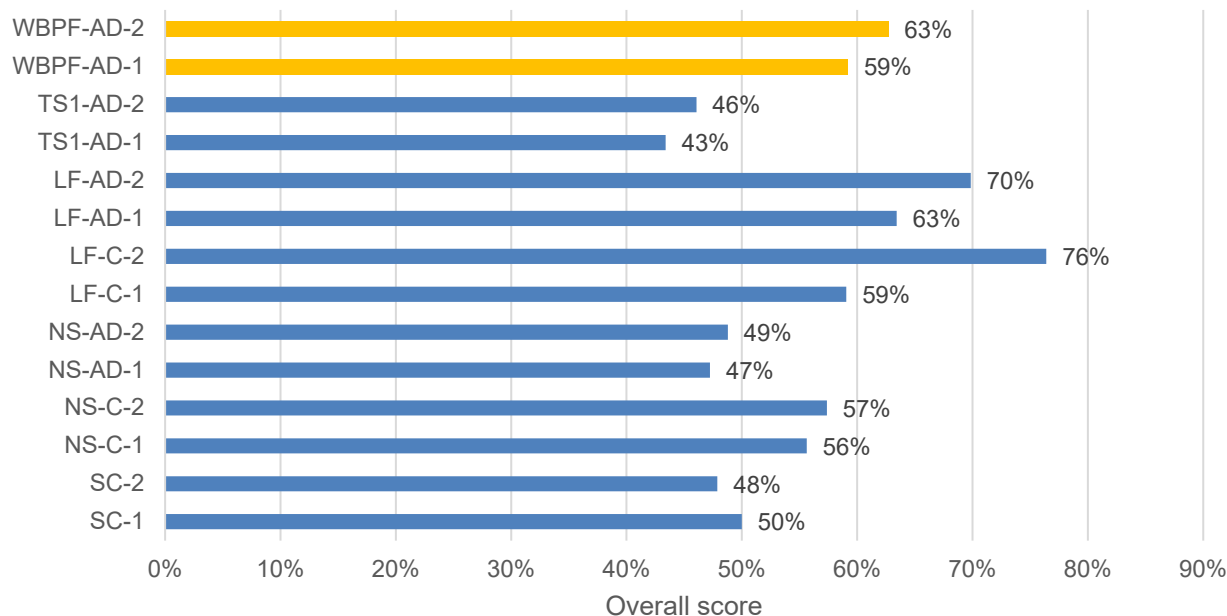


Figure 4.14 Overall Scores of Options Against Holistically Accounted WBPF-AD Options, Assuming WBPF Decommissioning

Note: Relative scores differ from this analysis and that presented in Section 4.3, but absolute values for all alternatives except the WBPF-AD options are the same.

WBPF-AD-2 also ties for first rank with LF-AD-2 if the weight on environmental consideration is increased as contemplated in the weighting sensitivity analysis as performed in Section 4.7 is repeated.

These results indicate that digesting the wastewater sludge alone does not improve project performance because the operational savings are relatively small. However, if WBPF sludge drying operations can be discontinued because the digestion provides a stable, marketable, alternative product, then the option becomes more competitive.

GHD acknowledges that the currently produced product has a secure market developed over time, however this must be considered against the asset management plan for the WBPF and the significant greenhouse gas and cost savings opportunities associated with decommissioning the WBPF.

5. Conclusions and Recommendations

Based on the evaluation completed as part of this study, with input from the Regional Municipalities, into the evaluation process and alternatives development, the following are GHD's conclusions and recommendations:

1. Project Delivery Approach: as a facility built and owned by the Regional Partners.



2. Energy recovery: For AD options, sale of RNG results in better project performance. RNG revenues are realized for smaller scale projects without having to plan for ICI and multi-family waste residential tip fees and offer pricing stability through supply contracts. Additional methane from LFG and wastewater sludge augments the RNG potential.
3. Feedstock: Considering current market rates and lost landfill tipping fees, the Project has limited potential for new revenues to the Regional Partners from tipping fees for ICI and multi-family residential waste. Compost is more likely to be profitable from tipping fees than AD. New markets for waste that were previously directed to a facility other than EWR Landfill are a profitable area of expansion and could be considered in the future. Despite the financial risk of building a larger plant to accept ICI and multi-family residential waste, taking more waste at a loss still supports the Regional Partner's objectives and presents a competitive marginal GHG abatement cost.
4. Technology: While both AD and compost options are in the top three alternatives evaluated, AD can have better GHG and financial performance if it is coupled with LFG utilization and potentially when used as part of longer-term changes at the WBPF/LWRWP site. In addition, with these synergies, the Project is more likely to be eligible for future federal and provincial grant and other financial incentive programs. Without these synergies, compost would be the most competitive option. A key decision required prior to initiating procurement is whether both AD and compost solutions would be acceptable tender submissions. If the procurement permits both AD and compost solutions; the result will almost certainly be a compost-based solution.
5. Location: The size of the landfill gas resource and suitability of adjacent lands present a compelling case for an option near the EWR Landfill. The WBPF-AD also presents additional advantages if a project can be used to help replace the WBPF with a less energy and carbon intensive solution, which would eliminate up to 37 percent of the City's corporate natural gas consumption (WBPF's approximate current share). An optimal solution may include both locations in time. Without clear indications of potential higher-value offtake of biogas and with uncertain space availability, Transfer Station 1 did not present a compelling alternative at this time. Procurement processes may be designed to allow for bidders to select and bid on one (or more) of these options. The procurement process can be used to obtain real costs in a competitive process to make final determinations with respect to NPV costs relative to realized environmental benefits and GHG reductions.

With respect to schedule relative to the Provincial 2025 target date, if the Regional Municipalities wish to meet this deadline to have their collections programs in place, consideration will need to be given for short-term third party processing contracts as a new owned facility is not expected to be completed by the end of 2025 realistically. A high-level schedule based on other recent projects (assuming no planning approvals, other than site plan approval will be required):

- Procurement: 1.5 – 2-years
- Design and Approvals: 1 – 1.5-years
- Construction and Start-Up: 1.5 – 2.5-years
- Total: 4 – 6-years



If additional time is required for permitting and/or consultation, it would further exacerbate the ability to meet a 2025 deadline. This factor may require the Regional Partners to use a service contract, even temporarily, to meet obligations. Based on the cost-benefit analysis, this model does not meet the Regional Partners long term goals, however.

6. Closing

All of Which is Respectfully Submitted,

GHD

A handwritten signature in purple ink that reads 'Mike Muffels'.

Mike Muffels

A handwritten signature in black ink that reads 'Gavin O'Neill'.

Gavin O'Neill



Regional Food, Organic and Biosolids Waste Processing

Stacey McGuire

Tracy Beadow

City of Windsor Project Administrators



Provincial Legislation

- ▶ Ontario's Food and Organic Waste Policy Statement pursuant to Section 11 of the 2016 Resource Recovery and Circular Economy Act (collectively the Organics Provincial Policy Statement, or OPPS) requires some municipalities in Essex-Windsor to achieve specific reduction or recovery target rates by 2025
- ▶ Key Points:
 - ▶ Reduction targets shall be achieved by the prevention or reduction of food and organic waste; the safe rescue and redirection of surplus food; and the recovery of food and organic waste to develop end-products for beneficial use
 - ▶ Reduction targets cannot be achieved through the use of food and organic waste to generate alternative fuels or energy from waste without the concurrent recovery of nutrients

Ontario



Municipal Participation Requirements

Participation **Mandatory** at this time:

- ▶ 70% Reduction Target, with curbside collection provided
- ▶ 50% Reduction Target, with some form of collection provided



Participation **Not Mandatory** at this time:



- ▶ Future growth, or a proposed province-wide ban on organic disposal to landfills in 2030, may trigger participation requirements for these municipalities

Food and Organic Waste



Food Waste



Soiled Paper



Pet Wastes



Personal Hygiene Wastes



Sanitary Wastes



Processing of Pet Waste, Personal Hygiene, and Sanitary Wastes were determined to be problematic - would not be included as a mandatory feedstock

Food and Organic Waste - Already Captured



Seasonal Outdoor Waste



Leaf and Yard Waste



Flowers and Houseplants

Currently
included in
Yard Waste
Program



Compostable Products and Packaging



Paper Fibre Products

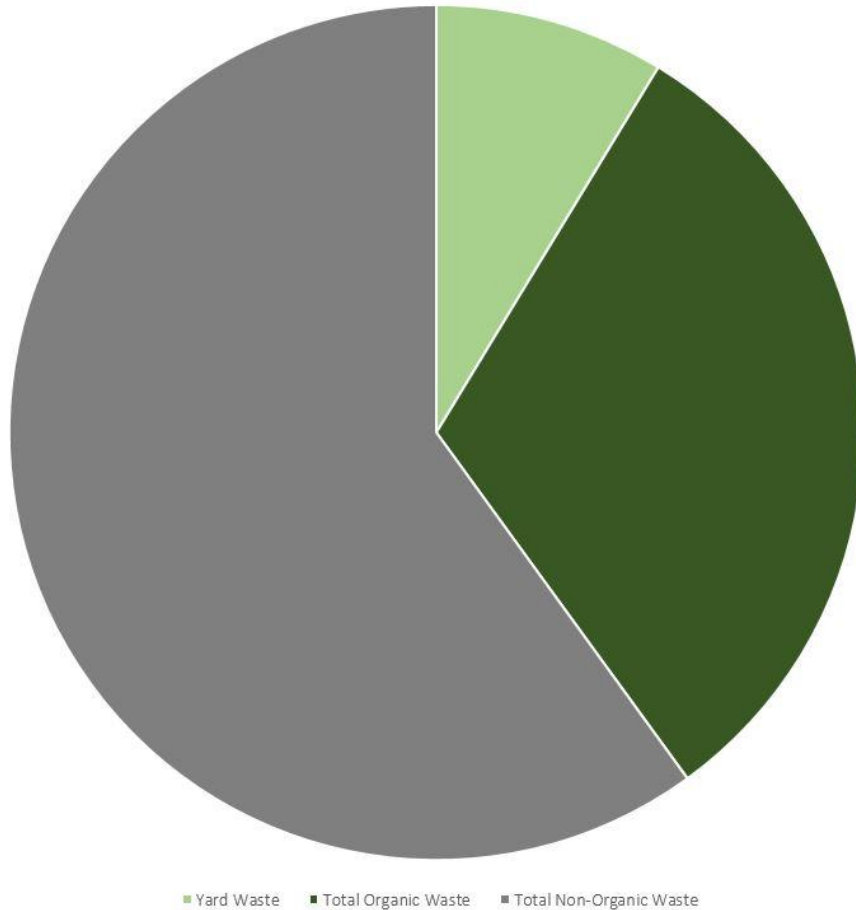


Shredded Paper

Currently
included in
Paper
Recycling
Program

Organic Waste Production

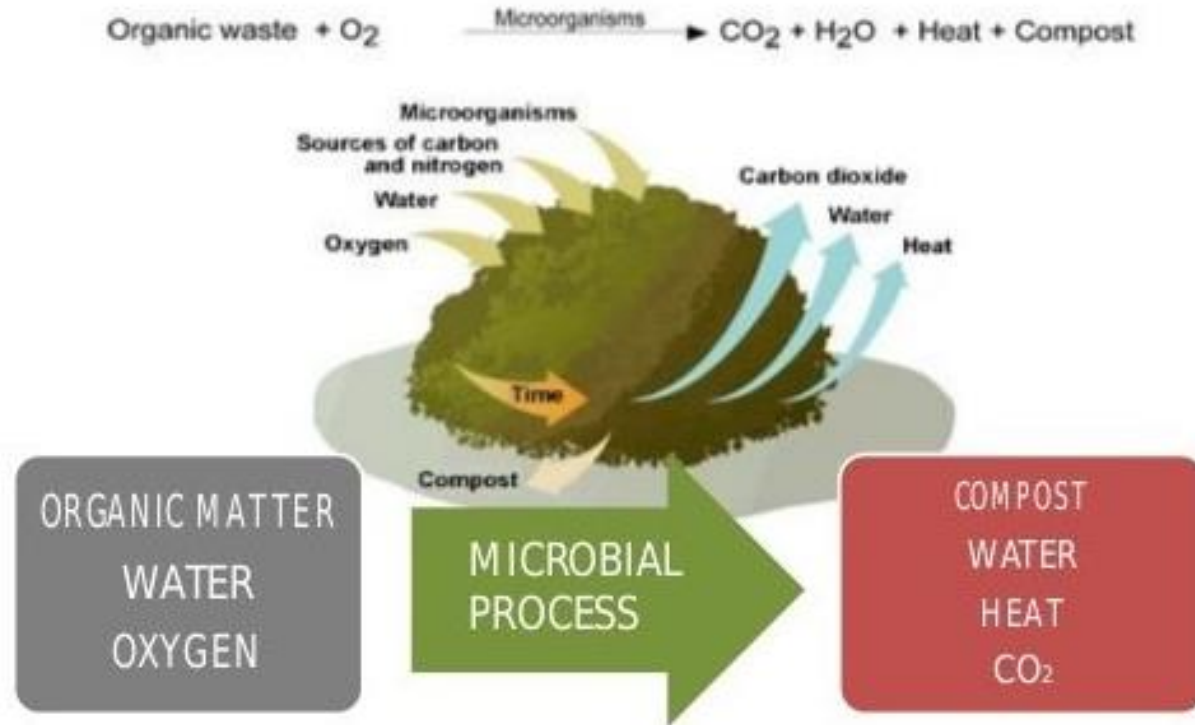
Windsor and Essex County Municipal Waste Generation



- ▶ Approximately 60% of total waste generation from our region consists of non-organic materials
- ▶ Approximately 9% of waste generated consists of yard waste, which is currently captured in the existing Yard Waste Collection Program
- ▶ Approximately 31% of waste generated consists of organic matter that is currently sent to landfills
- ▶ It is estimated that about 35,000 tonnes of residential food and organic waste was sent to landfill for disposal from Windsor and Essex County in 2020 alone

Available Technologies - Composting

COMPOSTING PROCESS



- Decomposition of organic matter by bacteria in an oxygen-rich (aerobic) environment
- Generates Compost, CO₂, Water, Heat
- Meets the requirements of the OPPS

Composting

► Benefits

- Lowest Capital and Operating Cost
- Generates a dry, stable product (compost)
- Simple, well-established process currently in use to process yard waste (i.e. small learning curve)
- Could integrate with existing leaf and yard waste program

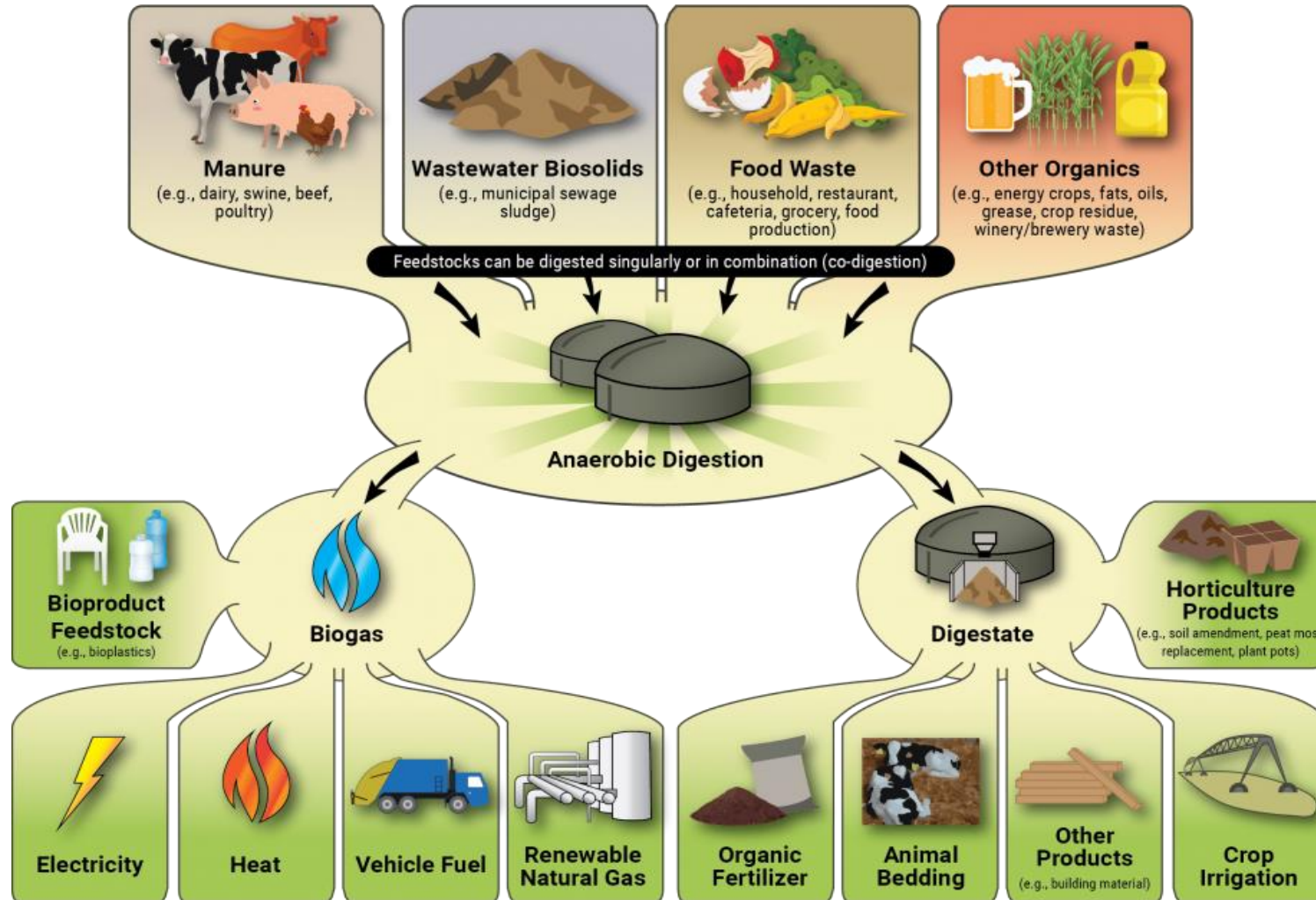
► Drawbacks

- Large footprint is required
- Some Greenhouse Gases (Methane, CO₂, etc.) are generated during the process
- Lost opportunity to capitalize on the generation of Renewable Energy
- Other projects/solutions will need to be pursued to achieve Greenhouse Gas and Energy Reduction Targets



Option	Capital Expense	Operating Expense	Benefit	Net Cost
Composting on Lands Near Regional Landfill	\$13M - \$25M	\$25M - \$60M	\$175K - \$35M	\$38M - \$50M

Available Technologies - Anaerobic Digestion



- Decomposition of organic matter by bacteria in an oxygen-limited (anaerobic) environment
- Generates Biogas and Digestate
- Meets the requirements of the OPPS

Anaerobic Digestion

► Benefits

- Generates biogas, which can be further processed into Renewable Natural Gas
- Generates digestate, which can be further processed into fertilizers, etc.
- Smaller footprint required than composting
- Greater volumes of Renewable Natural Gas can be realized from anaerobic digestion projects with the addition of wastewater sludge as feedstock (and displace current natural gas usage to dry sludge), or methane from the landfill gas collection system;
- OPPS encourages municipalities to plan for the management and beneficial use of biosolids

► Drawbacks

- Higher Capital and Operating Costs than composting
- Process is more complicated than composting, however it is well established in Canada

Option	Capital Expense	Operating Expense	Benefit	Net Cost
AD - Lands Near Regional Landfill	\$140M - \$175M	\$160M - \$225M	\$270M - \$310M (\$135M - \$155M)*	\$30M - \$90M (\$165M - \$245M)*
AD - WBPF	\$50M - \$100M	\$45M - \$115M	\$15M - \$65M (\$7.5M - \$32.5M)*	\$80M - \$150M (\$87.5M - \$182.5M)*

*Bracketed Benefit and Net Costs are based on the self-consumption of Renewable Natural Gas rather than selling it

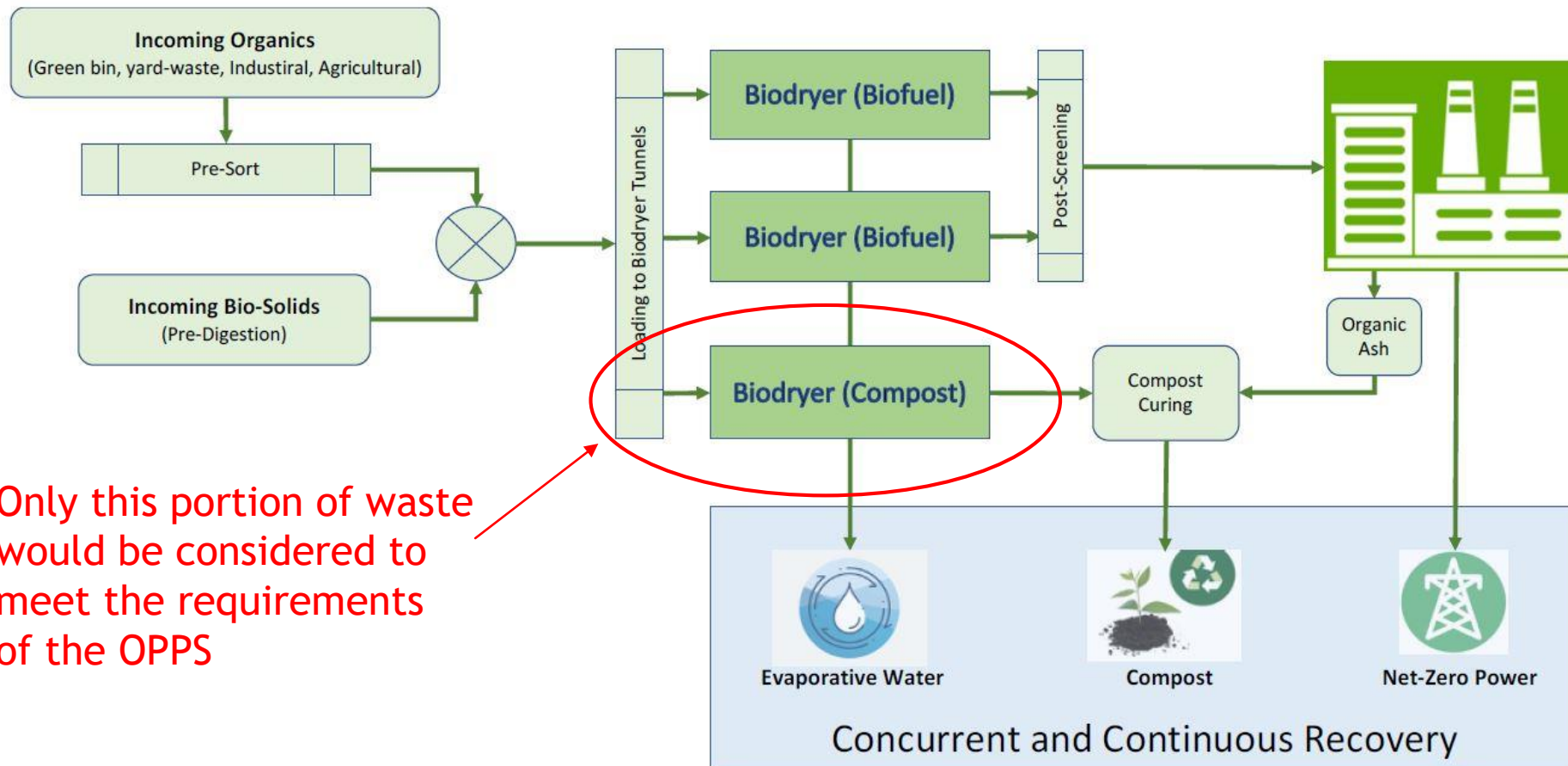
Other Benefits to Anaerobic Digestion

Anaerobic Digestion

- ▶ Environmental Stewardship
- ▶ Better Odour Control
- ▶ Opportunity to combine Food and Organics Waste Management Project with a Greenhouse Gas and Energy Reduction Project
- ▶ Will contribute to GHG and Energy Reduction targets to a greater degree than composting, resulting in fewer additional projects required to meet reduction targets
- ▶ May be eligible for future Federal and Provincial grants and financial incentives
- ▶ Compliments other capital projects required
 - ▶ WBPF - expiration of existing contract, plant expansion, and provide additional options for biosolids processing in the future
 - ▶ Landfill - upgrades to landfill gas collection system are required



Available Technologies - BioDryer



Only this portion of waste would be considered to meet the requirements of the OPPS

- ▶ Aerobic process, however no methane is produced
- ▶ A fraction of the feedstock is directed to a composting unit, the remaining fraction is directed to a Biofuel unit(s). Consultation with Ministry of the Environment, Conservation and Parks (MECP) representatives have indicated that **only the fraction diverted to the composting process** would be considered acceptable in accordance with the OPPS.

Available Technologies - Syngas (i.e. Bradam)

- ▶ Converts organic waste into Synthesis Gas (Syngas) for production of electricity
- ▶ During the conversion of Syngas to Renewable Natural Gas, ammonia can be recovered and sold as a fertilizer product
- ▶ Consultation with MECP representatives have indicated that *this process does not meet the requirements of the OPPS*



Consultation with Ministry of Environment, Conservation and Parks (MECP)

- ▶ Occurred on May 19, 2021 and May 21, 2021
- ▶ Changes to the OPPS may be forthcoming in late summer to early fall 2021; however they indicated that the nature of those changes will be in relation to the types of compostable products included only. No changes to targets or deadlines are being considered.
- ▶ A Guidance Document is expected to be released when the OPPS is revised
- ▶ A new regulation currently being developed will contain language regarding a ban on organic disposal in landfills, the tentative date being considered is 2030
- ▶ Non-compliance with 2025 deadline will require municipalities to report to MECP on their OPPS status and how compliance will be achieved in short order

Fugitive Odour Prevention Principles

- ▶ Odour will be generated during any organics process
- ▶ Composting involves the addition of air into the organic mass, which generates larger quantiles of air with potential odours
- ▶ AD is a contained process, with no addition of air (oxygen), therefore odours are more easily contained when the facility is constructed and operated according to best industry standards
- ▶ Municipally owned and operated AD facilities generally have very little or no odour issues (e.g. Toronto, etc.)
- ▶ Odour controls would be thoroughly evaluated during procurement to ensure the best industry standards are being applied
- ▶ Fugitive Odour Prevention Principles:
 - ▶ Minimize off-site and on-site queuing of vehicles
 - ▶ All processing and storage occurs in enclosed buildings and tanks under negative air pressure
 - ▶ Buildings are designed to prevent ingress or egress of uncontrolled air and water
 - ▶ All process and building air is collected and treated before discharge
 - ▶ Air flows through the plant from “clean” to “dirty” areas
 - ▶ Process air is not permitted to be used for building air
 - ▶ Wastes are normally processed the same day they are received
 - ▶ Fast acting overhead doors
 - ▶ All doors remain closed when not in use
 - ▶ Two layers of containment between waste process and storage areas and the outside
 - ▶ Daily monitoring for odour at property line
 - ▶ Maintain minimum air flows or air changes within buildings to ensure fresh air is being circulated

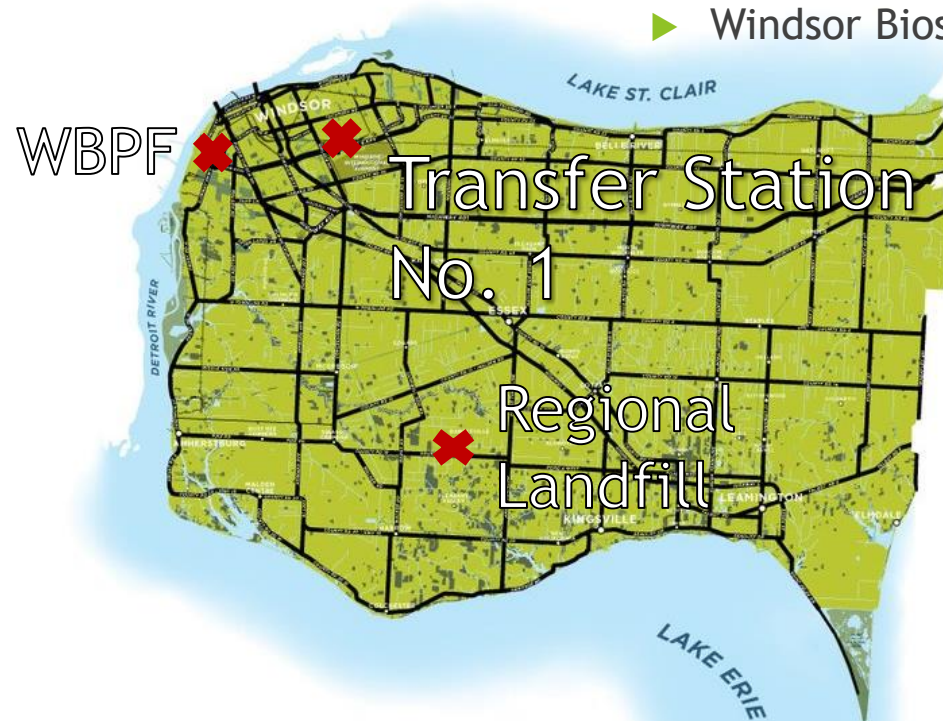
Potential Locations

Composting

- ▶ Requires 3.5 - 9.25 hectares
- ▶ Service Contract
- ▶ New Site (if proposed by Proponents)
- ▶ Lands Adjacent to Regional Landfill

Anaerobic Digestion

- ▶ Requires 2.25 - 4 hectares
- ▶ Service Contract
- ▶ New Site (if proposed by Proponents)
- ▶ Lands Adjacent to Regional Landfill
- ▶ Windsor Biosolids Processing Facility



Other Considerations

- ▶ Collection method, procedures and schedules will be evaluated at a later date
- ▶ Timeline of Processing Facility:
 - ▶ Procurement - 1.5 - 2 years
 - ▶ Design and Approvals - 1 - 1.5 years
 - ▶ Construction and Start-Up - 1.5 - 2.5 years
 - ▶ Total - 4 - 6 years
- ▶ A landfill gas utilization project would be of significant Greenhouse Gas reduction and financial benefit to EWSWA regardless of the presence of an anaerobic digestion facility, but co-locating them would streamline permitting and pipeline construction
- ▶ The anaerobic digestion options would provide more local economic stimulus over the project life - creating jobs and bringing in outside fees
- ▶ Anaerobic digestion projects create Renewable Natural Gas that will displace Non-Renewable Natural Gas. Anaerobic digestion allows the creation of an energy source from waste, that is not obtainable from composting.

Estimated Costs – City of Windsor

Estimated Costs includes the following:

- ▶ EWSWA fees (includes fixed and variable costs, lost revenues from tipping fees)
- ▶ Curbside Collection and other services provided directly by municipality
- ▶ Capital expenses (including landfill gas collection system expansion), operating expenses and revenues
- ▶ Does not include costs associated with wastewater sludge processing
- ▶ Include total waste management costs (general refuse, recycling, yard waste, and organics)
- ▶ Costs in 2021 dollars, provided for a 20-year time
- ▶ Costs increases shown are when compared to expected costs in a “do nothing” scenario (\$12.3M annual costs for City of Windsor)
- ▶ *Note - Bracketed Annual Costs and Cost Increase are based on the self-consumption of Renewable Natural Gas generated from AD

Option	Annual Cost (all waste programs)	Cost Increase
Service Contract	\$15.0M - \$18.9M	+22-53%
Landfill - Composting	\$14.3M - \$18.2M	+16-48%
Landfill - Anaerobic Digestion*	\$17.0M - \$21.1M (\$19.3M - \$22.9M)	+38-71% (+56-86%)
Windsor Biosolids Processing Facility - Anaerobic Digestion*	\$15.5M - \$20.2M (\$15.6M - \$20.4M)	+25-63% (+26-65%)

Climate Change Impacts and Reduction Goals

- In 2019, the City and County declared Climate Change Emergencies
- Energy and Greenhouse Gas Reduction Goals - Windsor has a target of 40% reduction by 2041, Essex County has a target of 50% (energy) and 60% (GHG) reduction by 2041.
- The following benefits could be realized from this project
 - Greenhouse Gas Emission Reductions
 - Up to 48,000 tonnes CO₂e reduction in GHG from with composting
 - Up to 61,000 tonnes CO₂e reduction in GHG from AD at the WBPF
 - Up to 103,000 tonnes CO₂e reduction in GHG from AD at the Landfill (including landfill gas capture)
 - For comparison, City of Windsor Corporate emissions are 32,000 tonnes CO₂e per year
 - To achieve a reduction of 60,000 tonnes CO₂e, an additional 25% of Windsor residents would have to commute via cycling, walking or public transit



Climate Change Impacts and Reduction Goals

- The following benefits could be realized from this project
 - Renewable Energy Generation
 - Composting will not generate any renewable energy
 - AD generates Renewable Natural Gas which;
 - If sold to out-of-province utilities, the project will be contributing to the global climate emergency only,
 - If sold in-province, the project will contribute to community energy reduction targets and the global climate emergency, and
 - If energy is used corporately (e.g. fleet, building heating, etc.), the project will meet corporate reduction targets, and would contribute to the global climate emergency
- It should be noted that the business model is based on selling the Renewable Natural Gas
- If we self-consume the Renewable Natural Gas the benefits (revenues) would be reduced by approximately 50% when compared to selling the Renewable Natural Gas
- Entering a contract to sell the Renewable Natural Gas would lock-in a price for the life of the contract, reducing the effects of market variability of the sale or purchase of Natural Gas



Thank you

- ▶ Please refer to the Council Report and the GHD Report for additional details





Council Report: C 68/2021

Subject: Capital Variance Report - March 31, 2021 - City Wide

Reference:

Date to Council: June 7, 2021

Author: Mike Dennis

Manager, Capital Budget & Reserves (A)

Phone: 519-255-6100 x6343

Email: mdennis@citywindsor.ca

Asset Planning

Report Date: May 18, 2021

Clerk's File #: AF2021

To: Mayor and Members of City Council

Recommendation:

1. THAT City Council **RECEIVE** for information the 2021 Life-to-Date Capital Variance Report as at March 31, 2021 as presented by the Chief Financial Officer/ City Treasurer;
2. THAT City Council **APPROVE** the transfers to and from capital projects/reserves as identified within Appendix A – Summary of Capital Project Variances;
3. THAT City Council **APPROVE** the transfer of \$311,764.80 in funding from the following funding sources to the Grant Matching Funding and Mitigating Inflationary Pressures project (7191009):
 - \$94,705.00 from the Sewer Surcharge Reserve (Fund 153)
 - \$88,458.80 from the Pay-As-You-Go Reserve (Fund 169)
 - \$128,601.00 from the Service Sustainability Reserve (Fund 221)

Executive Summary:

Not applicable.

Background:

Administration continues to report to City Council semi-annually on the status of all open/active capital projects. As per CR 16/2021, City Council approved the last semi-annual Capital Variance Report ending September 30, 2020.

The reporting of all capital projects continues to allow for a clear view and understanding of all capital expenditures/variances. Any potential significant variances are reported to Council as soon as they can be projected.

Discussion:

Appendix A provides a summary status of projects within each Program/Category which are projecting or have realized a surplus or deficit balance upon completion. It is important to emphasize that most project surpluses or deficits are merely projections based on the current status of the project. Those projects which are able to be closed include recommendations regarding their surplus or deficit. Standard practice is to return any surpluses back to the original funding source. Normally, capital programs such as road rehabilitation, sidewalk rehabilitation, bridge rehabilitation, etc. have annual approved allocations which over the years are consolidated when completed and summarized on each variance report. In some instances, Administration has also recommended closing out surpluses to other projects where there is an expected deficit. For all other projections, the financials as noted can, and very likely will, change prior to the project being closed. In these cases, the projects are closely monitored by Project Leads, Finance and Asset Planning monthly. Any projects which meet the criteria established per the Capital Project Reporting Policy (CR429/2010) will also be reported to Council in a separate report.

CR429/2010

*“Capital projects whose final financial position is a deficit greater than 10% of net budget AND greater than \$500,000, will **BE SUBJECT** to a separate report to Council outlining the reasons for the deficit. “*

Overall, there are currently 549 capital projects that are open/active. The City has 500 projects that are currently projected, based on currently available information, to be materially on budget, 30 projected to be completed with a surplus and 19 projected to be in a deficit position. A summary of the surpluses and deficits are laid out in a table which can be found in the Financial Matters section of this report.

Specific projects with projected surpluses and deficits can be found in Appendix A – Summary of Capital Project Variances. It should be noted that projected variance amounts are based on information as at March 31, 2021 and may continue to fluctuate as projects proceed until they are officially completed and closed with all costs being fully accounted for. This is especially true for projects that have not started or are just starting.

Risk Analysis:

The Capital Project Variance Report continues to reflect a low risk to the organization as capital projects are generally managed within budget and any surpluses are able to offset any deficits. Monthly monitoring by the Project Leads, Finance and Asset Planning ensure any issues are addressed immediately and if necessary reported to Council.

There is approximately \$440 million currently in budgeted expenditures which have yet to be incurred. Asset Planning and Project Leads provide updated projections on expenditures for significant projects to ensure cash flow projections include this information. The City continues to have a strong cash flow position to internally finance projects without the need for borrowing.

It should be noted that 134 of 549 projects (24%) of the total open projects have incurred expenditures of only 25% or less of their approved budget. This can be partially attributed to the COVID-19 pandemic, as well as only being three months into the year. There is still the very real likelihood of shifts in the current variance projections as the projects proceed to completion.

Where there are anticipated surplus projections of capital projects, these are early estimates which can fluctuate significantly throughout the remaining duration of the project. It is considered a very high risk to redeploy anticipated project surpluses given the uncertainty surrounding the final costs of such projects. To allocate these anticipated surplus funds at this stage could create a significant risk to the project.

As indicated in Appendix A, one particular exception to this rule is a recommended transfer of \$56,000 in anticipated surplus funding in the Kennedy Park Improvements project (7201021) to the Bruce Ave Park Redevelopment project (7181041), which incurred additional expenditures due to pandemic-related delays. The scope of the Kennedy Park Improvements project has changed materially, such that Administration is confident that transferring \$56,000 out of the project will not impact the City's ability to complete the revised scope of work on budget.

There are some projected surpluses where the project is close to final and the deficits and surpluses are reasonably certain. In these instances, Administration provides recommendations to reallocate a portion of these surpluses to offset other projects with funding challenges thus mitigating the funding shortfall risks. Any remaining surpluses, once fully realized, are returned back to the original funding source for future use, and where appropriate tracked for potential use to offset pandemic costs. Appendix – A identifies the various project surpluses and the recommended reallocation to other projects or the returning of the funding to the original funding source.

Climate Change Risks

Climate Change Mitigation:

Not applicable.

Climate Change Adaptation:

Not applicable.

Financial Matters:

As at March 31, 2021, there are 549 open/active capital projects with total budgeted expenditures of approximately \$1.3 billion.

The following table summarizes as at March 31, 2021 how many projects are projected to be on budget, how many are trending or have come in under budget and how many are trending or have come in over budget. Appendix A – Summary of Capital Project Variances highlights those projects which are projected or have realized a surplus or deficit position.

NUMBER OF PROJECTS	PROJECTED FINAL VARIANCE TREND	AMOUNT* Surplus/(Deficit)
500	On Budget (Note that this is based on currently known information. Unforeseen circumstances may result in significant variances.)	-
30	Surplus	\$1,900,825
19	Deficit	(1,349,422)
549	Total	\$551,403

Note that not all projects are currently able to be closed, therefore the reported final position should be viewed as an estimate. Based on preliminary project analysis, there is the potential that these amounts could materially change should other unforeseen circumstances occur which may result in additional cost or savings. Administration continues to balance and close capital projects as they are completed, with the intent to mitigate all project deficits with project surpluses. In the event there remains a project deficit, Administration will explore all funding options available to mitigate any budget shortfall. On occasion these are reported during the year. However, usually it occurs as part of the year end variance report. Where the deficit meets with the conditions of the Capital Project Reporting Variance Policy, as outlined above, a separate report will be brought to Council.

The amounts in this report are reflected as at March 31, 2021 and therefore may vary from the current figures. These amounts also include projects which are funded from designated funding sources (i.e. Sewer Surcharge, Federal Gas Tax, etc.) and therefore the ability to divert such funds to other initiatives is rather limited.

The table below summarizes the funding source impact of all projected surpluses and deficits:

Funding Source	Projected Net Surplus/(Deficit) Impact	Notes
Sewer Surcharge (Fund 028 / Fund 153)	\$475,489	Non-discretionary Funding Source – only to be used toward funding sewer related projects.
Federal Gas Tax (Fund 176)	\$300,000	Non-discretionary Funding Source – only to be used toward funding projects that meet eligibility criteria under the agreement.
Service Sustainability Investments (Fund 221)	\$218,378	Discretionary Funding Source – normally can be used to offset potential project deficits that may materialize throughout the year.
Pay-As-You-Go Capital (Fund 169)	\$214,846	Discretionary Funding Source – normally can be used to offset potential project deficits that may materialize throughout the year.
Police Equipment Replacement (Fund 195)	\$43,792	Discretionary Funding Source – dedicated Police equipment replacement funding source but can be used to offset potential project deficits that may materialize throughout the year.
Fire Major Equipment (Fund 163)	\$30,767	Discretionary Funding Source – dedicated Fire major equipment replacement funding source but can be used to offset potential project deficits that may materialize throughout

		the year.
Capital Expenditure Reserve (Fund 160)	\$4,400	Discretionary Funding Source – normally can be used to offset potential project deficits that may materialize throughout the year.
Parks/Rec./Facilities Acquisition Funding (Fund 151)	(\$56,000)	Discretionary Funding Source - dedicated funding source for parkland and other recreational purposes but normally can be used to offset potential project deficits that may materialize throughout the year.
Pollution Control Reserves (Fund 208)	\$(797,642)	Discretionary Funding Source – dedicated pollution control funding source but normally can be used to offset potential project deficits that may materialize throughout the year.
Other Funding	\$117,373	Dedicated Funding for Trust Funds and Sales of Fixed Assets
	Total: \$551,403	

In 2020, Administration identified surplus project funding, not required to offset project deficits, for potential use to address pandemic costs. Resulting from previous versions of the Capital Variance report, a total of \$311,764.80 in surpluses were returned to their original funding sources and earmarked for this purpose.

Indirectly as a result of the pandemic, the City is experiencing inflationary costs beyond typical circumstances. To mitigate these additional costs, Administration is recommending that the \$311,764.80 (\$94,705.00 in Sewer Surcharge (Fund 153), \$88,458.80 in Pay-As-You-Go (Fund 169), and \$128,601.00 in Service Sustainability (Fund 221)) in funding identified above be transferred to the Grant Matching Funding and Mitigating Inflationary Pressures project, 7191009. In addition to these previously identified funds, Administration is recommending that a further \$526,109.00 (\$497,334.00 from the Ojibway Sanitary Sewer Rehab project (7141018), \$27,351.00

from the Recreation Master Plan project (7182012) and \$1,424.00 from the 2017 WFCU Centre Feasibility Sdy project (7171074)) identified in Appendix A be transferred to 7191009. In total, this represents \$837,873.80 that can be used to offset inflationary pressures indirectly resulting from the pandemic.

Administration has put in place new processes to expedite awarding tenders, where necessary, to secure pricing within stated timelines. This process only works when tenders are within budget. The Grant Matching and Inflationary Pressures project falls under the responsibility of Asset Planning in the Finance department to use these funds as required for situations such as non material pricing variances to budgets as a result of inflationary pressures. As such, the additional funding in this project will support this new process being effective when tenders are not materially over budget. Finance will be able to recommend use of funding from the Grant Matching and Inflationary Pressures to cover the shortfall allowing the project to be within budget and approved through a Delegation of Authority. This reduces the risk of losing the tender pricing and having costs be even higher when requoted. As with all DOA, the use of these funds and frequency of occurrence will be reported annually to City Council. Additionally, Administration is looking at the current circumstances to determine what impact the current material pricing situation may have on the 2022 capital budget projects.

Consultations:

All project leads and their respective Financial Planning Administrators provided capital project status updates to augment the analysis performed by the Manager of Capital Budget and Corporate Reserves.

Conclusion:

A comprehensive report on all open/active capital projects indicates that overall, the 549 projects are currently trending towards an overall net deficit position. Given the number of projects and the fact that construction of many will continue into the following year and beyond, significant fluctuation in the projections is likely. Regular reports will keep Council apprised of the projects' status as they proceed.

Planning Act Matters:

Not applicable.

Approvals:

Name	Title
Mike Dennis	Manager, Capital Budget & Corporate Reserves (A)
Melissa Osborne	Senior Manager, Asset Planning
Janice Guthrie	On behalf of Chief Financial Officer and City Treasurer
Mark Winterton	City Engineer

Name	Title
Ray Mensour	Corporate Leader – Parks, Corporate Facilities, Recreation & Culture (A)
Valerie Critchley	City Clerk / Licence Commissioner
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:

APPENDIX A – Summary of Capital Project Variances – March 31, 2021

Listed below is a summary by Department/Program as to the status of each capital project portfolio. Projects with any projected final variance are detailed in a table within the respective Department/Program summary.

Project explanations denoted with “Project surplus/deficit” are projects that are in a position to be closed and the variance is likely to materialize. Those denoted with “Anticipated surplus/deficit” are projects that are still ongoing and not completed, as such the preliminary variance is merely an estimate which may fluctuate significantly before the project is complete. Only projects with “Project surplus/deficit” will have recommendations on how to address the deficit or surplus.

Office of the City Engineer

Street Lighting:

There is only one active capital project in this area that is being administered by the Engineering division. The Local Improvement – Street Lighting project (7161015) is expected to come in on budget.

Roadways:

There are 34 active capital projects in this area that are being administered by the Engineering department. There is one project with a projected surplus and two with projected deficits, totalling a net deficit of (\$255,600). Details on these three projects are noted below:

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
McDougall – North / South Collector (7144007)	\$4,366	Surplus is a result of favourable tender pricing. Project can be CLOSED, with surplus funds transferred to partially offset a deficit in the Francois – Seminole / CN Tracks Sewer Rehabilitation project (7144006).
2017 Connaught St. Reconstruction (7171064)	(\$34,966)	Anticipated deficit due to unfavourable pricing. Administration is recommending that \$30,600 in surplus funding from the Buckingham-Rose/Iris Swr Rehab project (7181001) be transferred to this project to partially offset the projected deficit. The remaining deficit will be mitigated by another funding source, to be identified in the future.
Tecumseh Rd. E. Road Improvements - ISF (7092017)	(\$225,000)	Anticipated deficit is a result of a potential business claim. A funding source to mitigate this deficit will be identified in the future.

Sewer Rehabilitation:

There are 50 active capital projects in this area that are being administered by the Engineering department. In total, there are three projects with projected surpluses totalling \$162,232 and three projects with projected deficits of (\$101,632), for a projected net surplus of \$60,600. These projects are identified in the table below.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Buckingham-Rose/Iris Swr Rehab (7181001)	\$59,157	Surplus is a result of favourable tender pricing from initial budget estimates. Project can be CLOSED, with \$28,557 in surplus funds being used to partially offset the deficit in the Fairview – Edgar / Tranby Sewer Rehabilitation project (7153003) and \$30,600 being used to partially offset a projected deficit in the 2017 Connaught St. Reconstruction project (7171064).
Gladstone – Riverside / Wyandotte (7164006)	\$53,075	Surplus is a result of favourable tender pricing from initial budget estimates. Project can be CLOSED, with \$9,743 in surplus funding transferred to cover a deficit in the Francois – Seminole / CN Tracks Sewer Rehabilitation project (7144006), and the remaining \$43,332 transferred to partially offset a projected surplus in the Fairview – Edgar / Tranby Sewer Rehabilitation project (7153003).
SouthNat’nl Trunk San Relining (7134005)	\$50,000	Anticipated surplus is a result of favourable tender pricing from initial budget estimates.
Francois – Seminole / CN Tracks (7144006)	(\$9,743)	Project can be CLOSED. Deficit is due to minor additional work required to complete the project. Shortfall to be mitigated through a transfer of surplus funds from the Gladstone – Riverside / Wyandotte Sewer Rehabilitation project (7164006).
Curry / McKay / College – Eng / Ctn (7164008)	(\$20,000)	Anticipated deficit is a result of unfavourable tender pricing from initial budget estimates. Administration will recommend funding sources to mitigate the deficit upon project completion.
Fairview Ave. – Edgar / Tranby (7153003)	(\$71,889)	Project can be CLOSED. Deficit is a result of unfavourable tender pricing from initial budget estimates. Administration recommends that the deficit be mitigated by a transfers of surplus funding from the

		Buckingham – Rose / Iris (7181001) and Gladstone – Riverside / Wyandotte (7164006) sewer rehabilitation projects.
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Storm Sewers:

There are 17 active capital projects in this area that are being administered by the Engineering department. Two of these projects can be closed, with a net surplus of \$138,189.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
East Marsh Drain Study (7181013)	\$130,832	Work originally considered as part of this project will be coordinated with the Sewer Master Plan project. As such, Administration recommends that this project be CLOSED and surplus funds be transferred to the Sewer Master Plan Implementation project (7199004).
Cahill Drain Improvements (7091021)	\$7,357	Project can be CLOSED. Final surplus is due to favourable pricing to complete study. Administration recommends that surplus funds be transferred to the Municipal Drains Maintenance project (7086004) in order to fund construction recommended as part of the study.

Sanitary Sewers:

There are six active capital projects in this area that are being administered by the Engineering department. Only one project, detailed below, is reporting a surplus.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Ojibway Sanitary Sewer Rehab (7141018)	\$497,334	Project can be CLOSED. Surplus is due to favourable tender pricing. Administration recommends that these funds be transferred to the Grant Matching Funding and Mitigating Inflationary Pressures project (7191009).

Corporate Projects:

There are 24 active capital projects in this area that are being administered by the Corporate Projects department. One project, detailed below, is anticipated to close with a \$300,000 surplus.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Riverside Park Washroom Renov. (7181010)	\$300,000	Project is complete and on maintenance. Anticipated surplus due to favourable tender pricing. Upon project completion, Administration recommends returning these funds to the Pay As You Go – Capital Reserve (Fund 169) or, if necessary, using these funds to offset deficits in other projects.

Border Infrastructure Fund:

There are only two active capital projects in this area that are being administered by the Corporate Projects department. These projects are expected to be on budget as they are fully funded by the Ministry of Transportation and are expected to be complete by the end of 2021.

Development:

There are five active capital projects in this area that are being administered by the Design & Development department. All projects are anticipated to come in at budget.

Pollution Control:

There are 68 active capital projects in this area that are being administered by the Pollution Control department. The majority of these projects are funded from the dedicated Pollution Control Reserve. There are three projects as identified in the table below with an anticipated total net deficit of (\$797,642).

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Maplewood Pump Station CWWF (7161070)	\$6,716	Project can be CLOSED. Final surplus is due to favourable pricing and can be used to offset a deficit in the LRPCP SPH-PSP Replacement project (7172010), with remaining funds returned to the Pollution Control Reserve (Fund 208).
LRPCP SPH-PSP Replacement (7172010)	(\$4,358)	Project can be CLOSED. Deficit due to change in capital recoveries for Pollution Control division and will be offset by a transfer of surplus funding from the Maple Wood Pump Stat CWWF project (7161070).
LRPCP Sludge Pumphouse Valve (7192004)	(\$800,000)	The Engineering estimate for this work was much higher than anticipated. It is expected that additional funding will be

		required. Project is on hold and will not be tendered until additional funding is available.
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Environmental Services:

There is one capital project being administered by the Environmental Services division, which is expected to come in on budget.

Contracts & Field Services:

There are four active capital projects in this area that are being administered by the Public Works Operations department. All four projects are anticipated to come in on budget.

Road Rehabilitation:

There are 16 active capital projects in this area that are being administered by the Public Works Operations department. There are three projects as identified in the table below anticipating a net total project surplus of \$155,227.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Wyandotte – St Rose to Janisse (7183019)	\$74,000	Anticipated surplus is a result of favourable tender pricing from initial budget estimates. Project can be closed once remaining funding from 2023 is transferred into project. Upon project completion, Administration recommends transferring any surplus funds in this project to the 2022 Road Rehab project to facilitate completion of as much priority road work as possible.
Courtland Cres – S National to S National (7183020)	\$44,764	Anticipated surplus is a result of favourable tender pricing from initial budget estimates. Project can be closed once remaining funding from 2023 is transferred into project. Upon project completion, Administration recommends transferring any surplus funds in this project to the 2022 Road Rehab project to facilitate completion of as much priority road work as possible.
Annie St.-Tecumseh to CulDeSac (7183021)	\$36,463	Anticipated surplus is a result of favourable tender pricing from initial budget estimates. Project can be closed once remaining funding from 2023 is transferred into project. Upon project completion, Administration recommends transferring any surplus funds in this project to the 2023 Road Rehab project to

		facilitate completion of as much priority road work as possible.
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PW Maintenance:

There are eight active capital projects in this area that are being administered by the Public Works Operations department. All are projected to be on budget.

Traffic Operations and Parking Services:

There are 13 active capital projects in this area that are being administered by the Traffic Operations and Parking Services department, and in total is expecting to come in on budget. The department is anticipating a surplus in one project and a deficit in another, as detailed in the table below.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Various Street Light City Wide (7035011)	\$26,898	This project is ongoing from year to year and can accommodate a transfer of funding to offset a deficit in the 2017 South National Street Lights project (7171079).
2017 South National Street Lights (7171079)	(\$26,898)	Project can be CLOSED. Deficit is a result of unfavourable tender pricing from initial budget estimates. Administration recommends funding the deficit from the Various Street Light City Wide project (7035011).

Fleet Operations:

There are 15 active capital projects in this area that are being administered by the Public Works Operations department. There are four projects as identified in the table below anticipating a net total surplus of \$24,519:

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Ditch Cutting Equipment – Vacant Properties (7181033)	\$50,000	Anticipated surplus is a result of a used piece of equipment purchase which reduced the total acquisition costs. Administration is recommending that in 2022, when the funding for this project is available, surplus funding be allocated to the GPS Line Painting Equipment (7171058) to mitigate the anticipated deficit.
2017 Fire Fleet Replacement (7171013)	\$30,767	Surplus is a result of favourable tender pricing from initial budget estimates. Project is complete and can be CLOSED. Surplus funds will be returned to their

		original funding source, the Fire Major Equipment Reserve (Fund 163).
GPS Line Painting Equipment (7171058)	(\$21,248)	Project deficit is due to a result of temporary financing and programming costs over the original capital budget funding. Administration is recommending funding this negative variance with a transfer of anticipated surplus funds in the Ditch Cutting Equipment – Vacant Properties project (7181033).
Fuel Site Improvements – Ward 3 (7181030)	(\$35,000)	Anticipated deficit is a result of unexpected remediation work that was required at the Fire Headquarters fuel site. This project will remain open until pre-committed funding in 2022 is transferred to the project. Administration recommends mitigating this projected deficit with a transfer from the fuel site equipment replacement project (OPS-001-17) at that time.

Technical Support:

There is only one active capital project in this area that is being administered by the Technical Support division. The Information Hansen Management System project (7209001) is expected to come in on budget.

Transit Windsor:

There are 19 active capital projects in this area that are being administered by Transit Windsor. There are five projects as identified in the table below that are anticipated a net negative variance of approximately (\$20,065):

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
TW Garage Rehabilitation – Concrete Surface (7171047)	(\$1,350)	Anticipated deficit is due to a temporary financing cost variance as a result of funding not being available until future years. A funding source to mitigate the deficit will be identified in the future.
TW Garage Rehabilitation – High Speed Doors (7171048)	(\$1,800)	Anticipated deficit is due to a temporary financing cost variance as a result of funding not being available until future years. A funding source to mitigate the deficit will be identified in the future.
2017 Fuel System Improvements (7171035)	(\$2,500)	Anticipated deficit is due to a temporary financing cost variance as a result of

		funding not being available until future years. Upon project closure, Administration recommends a transfer of funds from the Federal Public Transit Reserve (Fund 179) to mitigate this deficit.
TW Property Safety Assessment (7171036)	(\$3,300)	Anticipated deficit is due to a temporary financing cost variance as a result of funding not being available until future years. Upon project closure, Administration recommends a transfer of funds from the Federal Public Transit Reserve (Fund 179) to mitigate this deficit.
TW Pedestrian Shelter Restoration (7171043)	(\$11,115)	Project can be CLOSED. Deficit is due to temporary financing costs resulting from funding not being available until future years. Administration recommends a transfer of funds from the Federal Public Transit Reserve (Fund 179) to mitigate this deficit.

Mayor's Office

Mayor's Office:

There are four active capital projects in this area that are being administered by the Mayor's office. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Office of the City Solicitor

Fire and Rescue:

There are seven active capital projects in this area that are being administered by the Fire and Rescue department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Legal Services:

There are 10 active capital projects in this area that are being administered by the Legal Department. There are two projects with uncertainty as to whether the project will be on budget or not as noted below:

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Springarden ANSI Expropriation (7005542)	TBD	There is much uncertainty on this project's variance as it is tied to legal

		proceedings which have not yet been finalized.
99 CP Railway Cut (7995537)	TBD	There is much uncertainty on this project's variance as it is tied to legal proceedings which have not yet been finalized.

Planning and Building Development:

There are 20 active capital projects in this area that are being administered by the Planning department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Transportation Planning:

There are 12 active capital projects in this area that are being administered by the Planning department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Office of the City Clerk

Windsor Public Library:

There are seven active capital projects in this area that are being administered by the Windsor Public Library and the Corporate Projects department. Three projects, with an anticipated net surplus of \$322,308, are further detailed below.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Windsor Public Library – Optimist Library (7159012)	\$112,308	Projected surplus is due to favourable tender pricing. A closeout report will follow in Summer 2021.
Temporary Windsor Public Library at Paul Martin Building (7182015)	\$110,000	Projected surplus is due to favourable tender pricing. A closeout report will follow in Summer 2021.
Windsor Public Library – Budimir Library (7159011)	\$100,000	Projected surplus is due to favourable tender pricing. Project is on maintenance until December 2021. A closeout report will follow.

Records and Elections:

There are two active capital projects in this area that is being administered by the Council Services department. Both projects are anticipated to come in on budget.

Human Resources:

There are five active capital projects in this area that are being administered by the Human Resources department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Council Services:

There is only one active capital project in this area that is being administered by the Council Services department. The 311/211 Phone System Upgrades project (7191007) is expected to come in on budget.

Office of the Chief Financial Officer

Financial Planning:

There are four active capital projects in this area that are being administered by the Financial Planning division. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Corporate Asset Planning:

There are 20 active capital projects in this area that are being administered by the Asset Planning division. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Taxation and Financial Projects:

There are only five active capital projects in this area that are being administered by the Taxation and Financial Projects division. One project is anticipating a surplus of \$7,373 and the other remaining projects are currently expected to come in on budget.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Arts Endowment – Public Arts (7179003)	\$7,373	Projected surplus represents unallocated funding from Arts Endowment Fund.

Financial Accounting:

There are two active capital projects in this area that are being administered by the Financial Accounting division. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Information Technology:

There are 18 active capital projects in this area that are being administered by the Information Technology department. Only one project as identified below is anticipating a surplus variance of \$4,400.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
S.W.I.F.T Network (7193001)	\$4,400	Anticipated surplus is a result of actual costs lower than initial budget estimates.

Office of Community Development and Health Services

Huron Lodge:

There are 11 active capital projects being administered by Huron Lodge. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Housing and Children's Services:

There is one active capital project being administered by Housing and Children's Services. The WECHC – Repair & Renewal project (7219001) is projected to come in on budget.

Office of Parks, Recreation, Culture and Facilities

Facility Operations:

There are 32 active capital projects in this area administered by the Facilities department. No surpluses or deficits are projected at this time.

Forestry:

There are three active capital projects in this area that are being administered by the Forestry division. No surpluses or deficits are projected at this time.

Parks Operations:

There are seven active capital projects in this area that are being administered by the Parks Operations division. No surpluses or deficits are projected at this time.

Parks Design & Development:

There are 44 active capital projects in this area administered by the Parks Design & Development department. There are nine projects that are anticipating a net surplus of \$42,193 as noted below:

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Kennedy Park Improvements (7201021)	\$56,000	Projected surplus is due to a reduction in scope. Administration recommends that anticipated surplus funds be transferred to offset a deficit in the Bruce Ave. Park Redevelopment project (7181041).
2017 Forest Glade Basketball Ct (7171076)	\$32,786	Project can be CLOSED. Administration recommends that surplus funds be transferred to the Forest Glade Washroom project (7191039).
Pecche Island Boat Access Impro (7183012)	\$20,131	Project can be CLOSED. Administration recommends that surplus funds be transferred to the Pecche Island Bridge Restorations project (7193002).
Regional Parks (7129002)	\$10,000	Project can be CLOSED. Administration recommends that surplus funds be transferred to the Elizabeth Kishkon Park project (7171024).

2017 Dog Park – Malden Road (7171066)	\$1,832	Project can be CLOSED. Administration recommends that surplus funds be transferred to the Elizabeth Kishkon Park project (7171024).
2017 Realtor Park-Tennis Court (7171073)	\$1,699	Project can be CLOSED. Administration recommends that surplus funds be transferred to the Elizabeth Kishkon Park project (7171024).
Central Parks Tennis Courts (7171091)	(\$4,548)	Project can be CLOSED. Administration recommends that deficit be mitigated by a transfer of Operating funds from Parks.
Ojibway Boardwalk (7192003)	(\$6,176)	Project can be CLOSED. Deficit is a result of additional labour required to complete the project. Administration recommends that deficit be mitigated by a transfer of Operating funds from Parks.
Elizabeth Kishkon Park (7171024)	(\$13,531)	Projected deficit is a result of unfavourable tender results. Administration is recommending transfers of \$10,000 from the Regional Parks project (7129002), \$1,832 from the 2017 Dog Park – Malden Road project (7171066) and \$1,699 from the 2017 Realtor Park-Tennis Court project (7171073) to offset the projected deficit.
Bruce Ave. Park Redevelopment (7181041)	(\$56,000)	This project is complete and can be CLOSED. Deficit attributed to COVID-19 related delays. Administration recommends a transfer of surplus funding from Kennedy Park Improvements (7201021) to offset the projected deficit.

Recreation Facilities:

There are 13 active capital projects in this area that are being administered by the Recreation & Culture department. Two projects, with net projected surpluses totaling \$28,775, are detailed below.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
Recreation Master Plan (7182012)	\$27,351	Project is complete and can be CLOSED. Surplus due to favourable tender results. Administration recommends that these funds be transferred to the Grant Matching Funding and Mitigating Inflationary Pressures project (7191009).

2017 WFCU Centre Feasibility Sdy (7171074)	\$1,424	Project is complete and can be CLOSED. Surplus due to favourable tender results. Administration recommends that these funds be transferred to the Grant Matching Funding and Mitigating Inflationary Pressures project (7191009).
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Cultural Affairs:

There are six active capital projects in this area that are being administered by the Recreation and Culture department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Agencies and Boards

Windsor Police Services (WPS):

There are 21 active capital projects in this area that are being administered by various WPS divisions. Two projects, with net surpluses totalling \$43,792, are detailed in the table below.

Projects with Projected Deficit/Surplus	(Deficit)/Surplus Amount	Brief Explanation
WPS Marine Dock Sfty&Asst Prot (7161010)	\$39,613	Project is complete and can be CLOSED. Surplus due to favourable tender results. Surplus funds will be returned to their original funding source, the Police Equipment Reserve (Fund 195).
WPS-911 Infrastructure Upgrade (7197002)	\$4,179	Project is complete and can be CLOSED. Surplus due to favourable tender results. Surplus funds will be returned to their original funding source, the Police Equipment Reserve (Fund 195).

Roseland Golf and Curling Club:

There are two active capital projects in this area that are being administered by the General Manager at Roseland. No project variance is anticipated as both of these projects are currently expected to come in on budget.

Windsor Airport:

There are five active capital projects in this area that are being administered by the Corporate Projects department. No project variance is anticipated as all of these projects are currently expected to come in on budget.

Handi-Transit:

There is only one active capital project active in this area that is being administered by Handi Transit/Transit Windsor. The Handi-Transit Bus Acquisitions project (7191019) is expected to come in on budget.



Council Report: C 73/2021

Subject: City Wide - Willistead Furnishings Trust funding

Reference:

Date to Council: June 7, 2021

Author: Dan Seguin

Deputy Treasurer - Financial Accounting and Corporate Controls

519-255-6100 #1663

dseguin@citywindsor.ca

Financial Accounting

Report Date: May 20, 2021

Clerk's File #: AF2021

To: Mayor and Members of City Council

Recommendation:

THAT City Council **DIRECT** \$10,000 be transferred annually from reserve fund 135 Willistead Restoration Improvement Fund to fund 402 Willistead Furnishings Trust for the continued maintenance and acquisition of furnishings, artwork, and other historical items within Willistead Manor.

Executive Summary:

N/A

Background:

The *City of Windsor Act, 1981* established a Corporation without share capital under the name of Willistead Manor Inc., with the objective to receive, maintain, manage, control and use donations for charitable purposes for the rehabilitation of Willistead Manor Inc.

The City of Windsor, the Rotary Club of Windsor (1918), and since inception Willistead Manor Inc., have partnered to present the annual Art-in-the-Park event since 1978 which has generated \$1,385,281 towards Willistead Restoration projects. Willistead Manor Inc. fundraising revenue, including Art-in-the-Park proceeds, are required to be transferred to City of Windsor reserve fund 135 Willistead Restoration Improvement Fund.

Willistead Manor Inc. has also generally directed the use of the Willistead Furnishings Trust. In recent years, there has been no funding provided by the City towards this fund. Revenues have been generated through the periodic sale of donated and surplus

furnishings. The fund balance is currently approximately \$3,600 with no anticipated future revenue.

On February 11, 2021, the Board of Willistead Manor Inc. passed the following motion:

“That Administration PURSUE the options for the transferring of funds into the Willistead Furnishings Trust Account in order to ensure that resources are available to the acquisitions committee when unexpected expenses arise.”

Discussion:

As stated by the Chair of the Willistead Manor Inc. Board in their 2020 annual report “Willistead Manor is the crown jewel of Olde Walkerville offering gracious facilities and grounds for weddings, receptions, meetings, and many other special events.”

In recent years, the Willistead Furnishings Trust has been utilized to fund the refurbishment of historical artwork, reupholster and maintain furniture, and add period appropriate furnishings to enhance the Willistead Manor experience and telling of the Walker family legacy.

Risk Analysis:

Without on-going funding to the Furnishings Trust, maintenance and acquisition of the furnishings and artwork of the Manor will not be able to continue. Ultimately, funding for furnishings would be required from the City, as Willistead Manor Inc. is required to use their operating funds for fundraising activities only, and all proceeds are required to be transferred to City of Windsor reserve fund 135 Willistead Restoration Improvement Fund.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

Reserve fund 135 Willistead Restoration Improvement Fund currently has a balance of approximately \$324,000. There are currently no approved transfers from this reserve for future capital projects.

On an on-going basis, it is anticipated that in 2022 and beyond, Art-in-the-Park and other Willistead Manor Inc. fundraising will continue to contribute to the Willistead

Restoration Improvement Fund well in excess of the recommended annual transfer of \$10,000.

Consultations:

Facilities

Conclusion:

The Willistead Furnishings Trust is utilized to fund the refurbishment of historical artwork, reupholster and maintain furniture, and add period appropriate furnishings to the Manor. Providing the recommended funding will allow these essential activities to continue in the future.

Planning Act Matters:

N/A

Approvals:

Name	Title
Dan Seguin	Deputy Treasurer-Financial Accounting
Michelle Staaedegaard	Manager of Culture and Events
Ray Mensour	Commissioner—PRCCF
Dan Seguin for Joe Mancina	CFO & City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:



Subject: Application for Site Plan Approval at 600 Ouellette Avenue (SPC-023/20), 17-storey multi-family dwelling with 119-units. Ward 1.

Reference:

Date to Council: June 7, 2021
Author: Jason Campigotto, RA, NCARB
Site Plan Approval Officer
jcampigotto@citywindsor.ca
519-255-6543 x6162
Planning & Building Services
Report Date: 5/11/2021
Clerk's File #: ZS/13905

To: Mayor and Members of City Council

Recommendation:

- I. THAT the application by 2504877 ONTARIO INC (File No.: SPC-023/20) **BE APPROVED** permitting development in accordance with the following drawings:

1.	Proposed Site Plan	Map No.:	SPC-023/20 – ASP-01
2.	North Elevation	Map No.:	SPC-023/20 – A301
3.	East Elevation	Map No.:	SPC-023/20 – A302
4.	South Elevation	Map No.:	SPC-023/20 – A303
5.	West Elevation	Map No.:	SPC-023/20 – A304

- II. THAT the following **BE REQUIRED**, prior to the issuance of a construction permit:

1. General Provisions of Site Plan Approval:
- G-3 (1&2) Landscape Plan prepared by an OALA
 - G-4 Storm Water Management Report & Calculations
 - G-7 (1&2) Photometric Plan & Lighting Product Specifications
 - G-15 (1) Street Opening Permit
 - G-15 (2) Site Servicing Drawings
 - G-16 Development Charges
 - G-17 Parkland Conveyance
 - G-18 Lot Grading Plan
 - G-25 Agreement Registration
 - G-28 Video Inspection
 - Securities

2. Special Provisions of Site Plan Approval:

SP-I Construction Vibration Control Assessment

The Owner shall agree to, prior to the issuance of a construction permit, submit to the satisfaction of the City Planner a construction vibration control assessment prepared by a qualified vibration engineer. The scope of the assessment shall include:

- a. Analysis of all construction activities potentially causing vibration impacts on the heritage resources
- b. Establishment of more stringent vibration criterion for heritage resource based on the potential for architectural and structural damage
- c. Background vibration measurements of the site and surrounding areas
- d. Predict extent of vibration impacts and identify all heritage structures within the vibration zone of influence
- e. Conduct pre-condition survey to establish condition of existing heritage structures
- f. Recommend vibration mitigation and monitoring program with establishment of "do-not-exceed" threshold levels, and a construction vibration control plan

SP-II Land Conveyance – Corner Cut-Off

The owner shall agree, prior to the issuance of a construction permit, to gratuitously convey a 4.6m x 4.6m (15'x15') corner cut-off at the intersection of Wyandotte St E and Dufferin PI in accordance with City of Windsor Standard Drawings AS-230.

SP-III Land Conveyance

The owner shall agree, prior to the issuance of a construction permit, to gratuitously convey a partial conveyance of 2 metres along the Wyandotte St E frontage where no building currently exists.

SP-IV Streetscaping

The owner shall agree, prior to the issuance of a construction permit, to provide streetscaping elements, including but not limited to benches & refuse containers in conformance with the Downtown Windsor Streetscape Manual and in consultation with the Planning Department's Urban Design team.

SP-V Structural Assessment

The owner shall agree, prior to the issuance of a construction permit, to provide structural assessments of the adjacent low-rise buildings located immediately to the west and south of the subject development, demonstrating sufficient structural capacity towards increased snow-loading to the satisfaction of the Chief Building Official.

SP-VI Servicing Study

The owner agrees, at its own expense, to retain a Consulting Engineer to provide a detailed servicing study report on the impact of the increased flow to the existing municipal sewer system, satisfactory in content to the City Engineer and prior to the issuance of a construction permit. The study shall analyze both the sanitary and stormwater flow from the proposed development. The following information shall be provided in the stormwater study:

1. Determine the drainage area for the outlet,
2. Develop a hydrologic model to analyze the drainage area for both the minor and major storm event to determine a conservative release rate,
3. Provide hydraulic grade lines for both storm events as well as a grading plan depicting how the minor and major storm events will be contained

- III. THAT in accordance with By-law 11275, Administration **BE AUTHORIZED** to approve future changes to the approved site plan and building elevations.

Executive Summary:

N/A

Background:

The authority to approve site plan applications, in accordance with the *Planning Act* and City of Windsor By-law 11275, rests with the City Planner or designate except in instances where the proposal is located on land owned by the Corporation of the City of Windsor, a Council resolution identifies a requirement for Council approval and on land within the Downtown Business Improvement Area; the subject property is located on land within the boundary of the Downtown Business Improvement Area, requiring Council approval of the Site Plan Approval Application.

An application for Site Plan Approval at 600 Ouellette Avenue was received by the Planning Department August 24, 2020. The proposal consists of a 17 storey high-rise development of 119 residential units over a parking podium of 5 storeys with ground floor commercial space. The application included several supporting studies for administrative consideration, including an Urban Design Study, a Wind Study and a Traffic Impact Study.

The Committee of Adjustment granted Minor Variances from the provisions of Zoning By-law 8600 at the April 22, 2021 hearing (File No.: A-031/21), permitting reductions to the required amenity area (1,332 square metres required, 777 square metres proposed), number of parking spaces (113 space required, 77 spaces proposed) and number of loading spaces (3 spaces required, 1 space proposed).

The application for Site Plan Approval is being presented to Council for approval.

Discussion:

The subject property is located at the southeast corner of the Ouellette Avenue and Wyandotte Street intersection, with Shoppers Drug Mart as the ground floor tenant. The existing site is occupied by a 2-storey combined use building of approximately 2,956m² located on the western half of the site and a surface parking area for 32 vehicles on the eastern half of the site. The proposed development will retain the existing building and construct the high-rise tower on the portions of land currently occupied by surface parking.

The 17 storey, 119 residential unit high-rise consists of ground floor commercial units fronting Wyandotte Street East with parking and parking area access off of Dufferin Place, 5 levels of parking, 12 levels of dwelling units and a roof top amenity space. The parking floors will accommodate 74 vehicles, providing 39 bicycle parking spaces and 1 loading space. In response to the size of the lot, the building has been designed with an extended podium to accommodate as much parking as possible while minimizing the perceived height of the parking levels from street view. The existing commercial building access and egress functions will remain the same with loading and rear service access incorporated into the design of the ground floor plan. The proposed building will have a Gross Floor Area of 15,873 square metres, with 113 square metres of new ground floor commercial and 2,956 square metres of existing commercial space open to the public.

The principal pedestrian entrance to the residential condominium is from Wyandotte Street East; attention has been given to both the location and aesthetic appearance of entrances, to ensure high-visibility and connectivity to active transportation opportunities.

Provincial Policy Statement (PPS) 2020:

There are a number of policies applicable to the proposed redevelopment of the subject site, including:

1.1.1 *Healthy, liveable and safe communities are sustained by:*

- b) *accommodating an appropriate affordable and market-based range and mix of residential types, employment, institutional, recreation, park and open space, and other uses to meet long-term needs;***
- e) *promoting the integration of land use planning, growth management, transit-supportive development, intensification and***

infrastructure planning to achieve cost-effective development patterns, optimization of transit investments, and standards to minimize land consumption and servicing costs.

1.1.3.1 *Settlement areas shall be the focus of growth and redevelopment.*

The proposed redevelopment is within a settlement area and is designated “Growth Centre” in the City of Windsor Urban Structure Plan. The proposal will facilitate redevelopment of the subject site and promote the vitality and regeneration of the City Core area.

1.1.3.2 *Land use patterns within settlement areas shall be based on densities and a mix of land uses which:*

- a) efficiently use land resources;*
- b) are appropriate for, and efficiently use, the infrastructure and public service facilities which are planned or available, and avoid the need for their unjustified and/or uneconomical expansion;*
- e) support active transportation;*
- f) are transit-supportive, where transit is planned, exists or may be developed;*

The proposed development is efficiently utilizing land within a settlement area, is appropriate for and efficiently utilizes existing infrastructure and public service facilities and supports active transportation.

1.1.3.3 *Planning authorities shall identify appropriate locations and promote opportunities for transit-supportive development, accommodating a significant supply and range of housing options through intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.*

The site is in an urban context and suitable for intensification because there are suitable existing/planned infrastructure and public service facilities to accommodate the proposed redevelopment of the subject site. The development is adjacent to a significant Transit Windsor transfer point with access to at least five (5) Transit Windsor routes.

The proposed site plan application is consistent with the PPS.

Official Plan:

The subject land is located in the City Centre Planning District and is designated Mixed Use (Very High Profile) on Schedule “E” of the Official Plan. Relevant Official Plan policies include:

6.9 Mixed Use

These areas are intended to serve as the focal point for the surrounding neighbourhoods, community or region. As such, they will be designed with a pedestrian orientation and foster a distinctive and attractive area identity.

6.9.1.7 Transportation Modes

To increase the use of walking, cycling and public transportation within the designated Mixed Use area by fostering a strong live-work-shopping-recreation relationship.

6.9.2.4 Evaluation Criteria

At the time of submission, the proponent shall demonstrate to the satisfaction of the Municipality that the proposed Mixed Use development is:

- a) Feasible having regard to the other provisions of this Plan, provincial legislation, policies and appropriate guidelines and support studies;
- c) capable of being provided with full municipal physical services and emergency services;
- d) provided with adequate off street parking;
- e) pedestrian oriented;
- f) compatible with the surrounding area in terms of scale, massing, height, siting, orientation, setbacks, parking and landscaped areas;

6.9.2.5 Design Guidelines

The following guidelines shall be considered when evaluating the proposed design of a Mixed Use development:

- a) The ability to achieve the associated policies as outlined in the urban Design chapter of this Plan;
- c) at least one building wall should be located on an exterior lot line and oriented to the street to afford direct sidewalk pedestrian access from the public right-of-way;
- d) permanent loading, service and parking areas should be located so as not to significantly interrupt the pedestrian circulation or traffic flow on the public right-of-way or within a Mixed Use area.
- f) parking areas shall be encouraged at the rear of buildings;
- j) integration of the development with the surrounding uses to contribute to the unique character of the area.

Compliance with the Zoning By-law 8600:

The lands are zoned Commercial District 3.1 (CD3.1), permitting a wide range of uses, inclusive of Combined Use Buildings, provided all dwelling units are located above non-residential uses.

The proposed redevelopment is a permitted use within Zoning By-law 8600 and all provisions of the Zoning By-law conform and/or have been granted Minor Variance through the Committee of Adjustment.

Traffic, Access & Parking Impact:

The Official Plan classifies Wyandotte Street East as a Class 2 Arterial Road and Dufferin Place as a Local Road; the subject area is well travelled by both pedestrians and motorists. A gratuitous land conveyance of 2 metres along the Wyandotte Street East frontage and a corner cut-off conveyance of 4.6 metres x 4.6 metres at the Wyandotte Street East & Dufferin Place intersection will provide increased sidewalk capacity and clear lines of sight for pedestrians and motorists.

Vehicular access is located along the Dufferin Place frontage, towards the southern portion of the site, as far removed as possible from the Wyandotte Street East intersection. Principal pedestrian access is located along the Wyandotte Street East frontage, in close proximity to public transportation stops.

Administration has considered and accepted a Traffic Impact Study & Parking Assessment through the Site Plan Control review process. The study carried out a detailed examination of the traffic impacts of the proposed development on the adjacent road network, as well as assessing the adequacy of the proposed number of parking spaces. The development proposal satisfies the parking demand estimate based upon ITE Land Use Multifamily Housing (High-Rise) *Dense Multi-Use Urban or General Urban/Suburban* normal peak demand requirements. The Committee of Adjustment granted a Minor Variance from the provisions of Zoning By-law 8600 at the April 22, 2021 hearing (File No.: A-031/21), permitting a reduction to the required number of parking spaces, from 113 to 77. The proposal is well situated to take advantage of the City's Active Transportation policies, inclusive of walking, transit use and cycling; located within the city core, adjacent to several primary bus routes, and through accommodation of 39 bicycle parking spaces (6 short term and 33 secured).

Municipal Infrastructure / Services:

The subject lands are serviced by a 300 mm diameter vitrified clay pipe combined sewer on Dufferin Pl. A stormwater management study is required to be completed for the subject lands; storm management facilities must be constructed on site and will ultimately outlet to the municipal sewer. A site servicing study will be required for storm, sanitary and water services for the subject site prior to the issuance of a building permit. The applicant will also be required to submit a site servicing drawing and storm/sanitary flow calculations restricting the total water runoff to pre-development levels.

Building Code:

The proposal meets the requirements of the Ontario Building Code regarding fire access to the building and provisions for fire fighting. All other requirements of the Ontario Building Code and applicable municipal by-laws will be addressed

through the review for the construction permit(s) issued by the Building Department.

Risk Analysis:

The risk level for approving the proposed site plan and elevation drawings is relatively low.

Any delay of Site Plan approval could result in delays in starting construction, which in turn could lead to important deadlines being missed.

Financial Matters:

There are no financial implications associated with granting final approval of the proposed site plan and elevation drawings.

Consultations:

Applications for Site Plan Approval are reviewed by the following administrative departments:

1. Planning Department – Zoning, Heritage and Landscaping;
2. Building Department – Code, Health & Life Safety Systems;
3. Engineering - Transportation Planning, Engineering-Development;
4. Environmental Services Manager;
5. Finance;
6. Transit Windsor;
7. Windsor Fire & Rescue Services; and
8. Windsor Police Services.

Outside agencies such as ERCA, EnWin Utilities, Bell Canada, WAAC, Transit Windsor, Union Gas, and Canada Post, where applicable, are also consulted during the site plan approval review process.

Conclusion:

This proposal is consistent with the Provincial Policy Statement and the objectives of the Official Plan. Similarly, the proposed use is in conformity with the Zoning By-law.

The proposed site plan will facilitate a development that is in keeping with the combined use permitted on the subject property and similarly permitted uses in the subject area, improving the vitality of the site and the surrounding neighbourhood.

The proposal incorporates all municipal requirements, such as, compliance with the Zoning By-law 8600 and City of Windsor Official Plan policies, therefore, the site plan and building elevations are recommended for approval.

Approvals:

Name	Title
Neil Robertson	Manager of Urban Design / Deputy City Planner

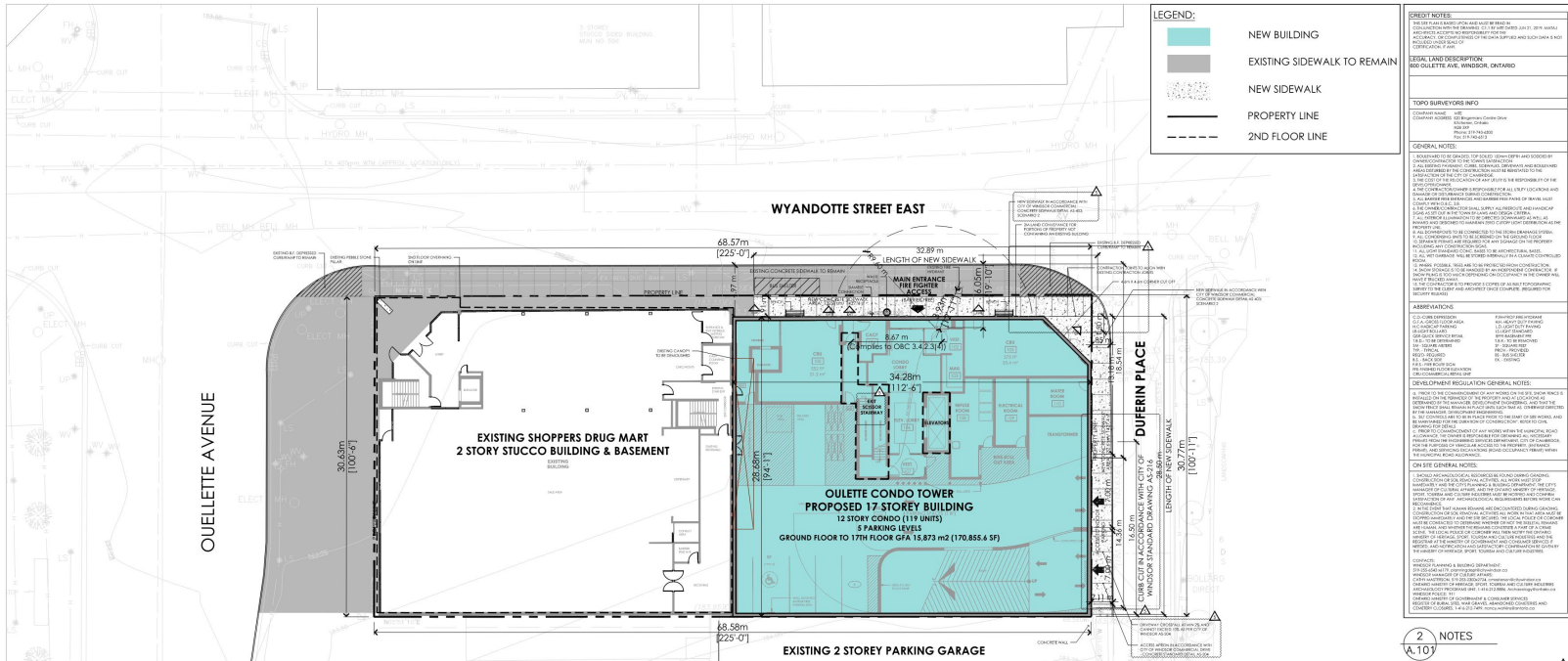
Name	Title
Thom Hunt	City Planner / Executive Director Planning & Building Services
Shelby Askin Hager	City Solicitor / CLT
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Tracey Pillon-Abbs		tpillonabbs@gmail.com
Eva Mataj		eva@matajarchitects.com
Javed Ali		javed@inspirationgroup.ca

Appendices:

Appendix A	Proposed Site Plan	Map No.: SPC-023/20 – ASP-01
Appendix B	North Elevation	Map No.: SPC-023/20 – A301
Appendix C	East Elevation	Map No.: SPC-023/20 – A302
Appendix D	South Elevation	Map No.: SPC-023/20 – A303
Appendix E	West Elevation	Map No.: SPC-023/20 – A304



1 SITE PLAN
A.107 Scale: 1:200

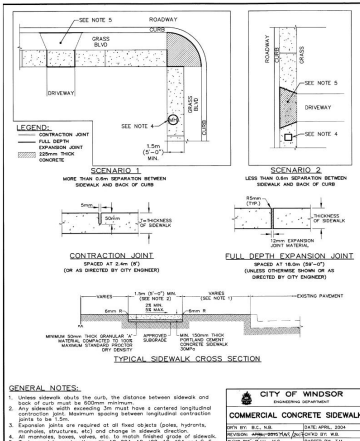
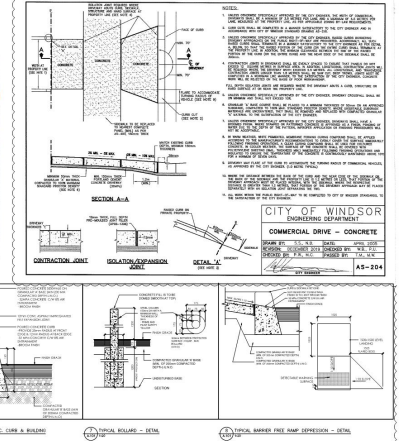
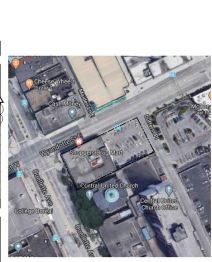
SITE STATISTICS WINDSOR - ZONE CD3.1

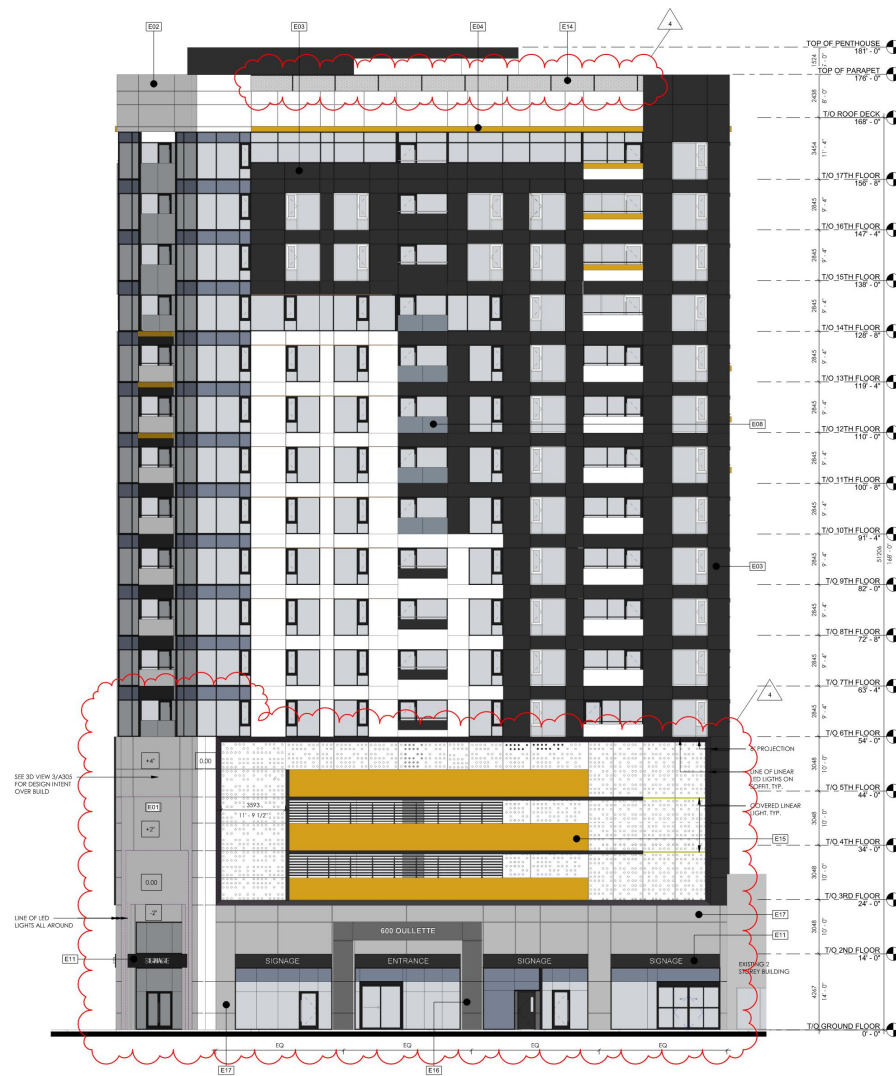
STAY - PARKING CALCULATION

Existing for Use	MINIMUM	PER	EXISTING	PROPOSED
for each 22.5m ² GFA	1	7	0	7
TOTAL PARKING (including Accessible Parking)	126	76		
ACCESSIBLE PARKING	4%	3		
LOADING UNLOADING	3	1		
BICYCLE PARKING	17	38		
PARKING SIZE	5,517.5m ²	5,517.5m ²		
ACCESSIBLE PARKING SIZE (TYPE A)	5,517.5m ²	5,517.5m ²		
ACCESSIBLE PARKING SIZE (TYPE B)	5,517.5m ²	5,517.5m ²		
DRIVEWAY SIZES	4	4.5		
Parking Shortage		-32		

ZONING INFORMATION - Windsor Zoning By-law

Permitted Use	YES	NO
Residential: Condo units	YES	NO
Ground floor GFA (no deductions)	744	
2nd-6th floor GFA (no deductions)	3893	
7th-17th floor GFA (no deductions)	18186	
Permitted GFA (no deductions)	2331	
Total building GFA (no deductions)	AREA (35)	AREA (35)
Amenity: 4th floor	1032	1032
Amenity: Roof Deck	7032	6533
Ground floor	804	777
Low Rise (max 17 storeys)	PROV (24.7m)	PROV (24.7m)
(a) Max. Lot Area	2,097	1,943.8
(b) Max. Lot Frontage	N/A	6.00
(c) Max. Front Yard	N/A	0.00
(d) Max. Rear Yard	N/A	0.00
(e) Max. Interior Side Yard	N/A	0.00
(f) Max. Interior Side Yard	N/A	0.00
(g) Max. Landscaping Open Space	N/A	4.25
(h) Max. Lot Coverage	N/A	97.25
(i) Max. Building Height	6.8	17 Storeys (3.2)





EXTERIOR ELEVATION LEGEND	
001	JACH PANEL - BONE WHITE BY LARSON
002	IBFS PANEL - WHITE DOVE - BM OC 17
003	IBFS PANEL - BLACK
004	IBFS - ACCENT COLOUR - DASH OF CURRY - BM 2139-10
005	WINDOW FRAME - WHITE ON BLACK WALLS
006	WINDOW FRAME - BLACK ON WHITE WALLS
007	PERGOLAT CONCRETE PANEL
008	ISOLATING RAILINGS
009	SCREENING WALL
010	DECORATIVE METAL SCREEN
011	JACH PANEL - BLACK BY LARSON
012	STEEL SCREEN - BLACK
013	LED LIGHTING
014	IF OF DECORATIVE ROOF PATIO SCREEN, REFER TO LANDSCAPE DRAWINGS
015	JACH - DASH OF CURRY - BM 2139-10
016	JACH - CHARCOAL 3.381 BY LARSON
017	JACH - CASSET GREY 3.30 BY LARSON

Project North:	True North:

SPA FILE NO. -

REV	DESCRIPTION	REV. DATE
4	RE-ISSUED FOR SPA	2021 01 25
3	Issued for SPA	2020 08 10
2	REISSUED FOR PRE-SUBMISSION APPLICATION	2020 01 15
1	Issued for Client Review	2019 10 28

Drawing Issues/Revisions:

Note:
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Architect's Stamp



Project:
Ouellette Condo Tower
600 OUELLETTE, WINDSOR

Sheet Title:
NORTH ELEVATION

Design By: MAJ	Drawn By: BL/TV	Approved By: EM
Scale: 1" = 10'-0"	Date: Issue Date	Project No: 19-023

Drawing No:

A301

Drawing Series:

or:



Project North:	True North:

SPA FILE NO. -

2	RE-ISSUED FOR SPA	2021 01 25
1	REISSUED FOR PRE-SUBMISSION APPLICATION	2020 01 15
REV	DESCRIPTION	REV. DATE

Drawing Issues/Revisions:

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Architect's Stamp



Project:

Ouellette Condo Tower

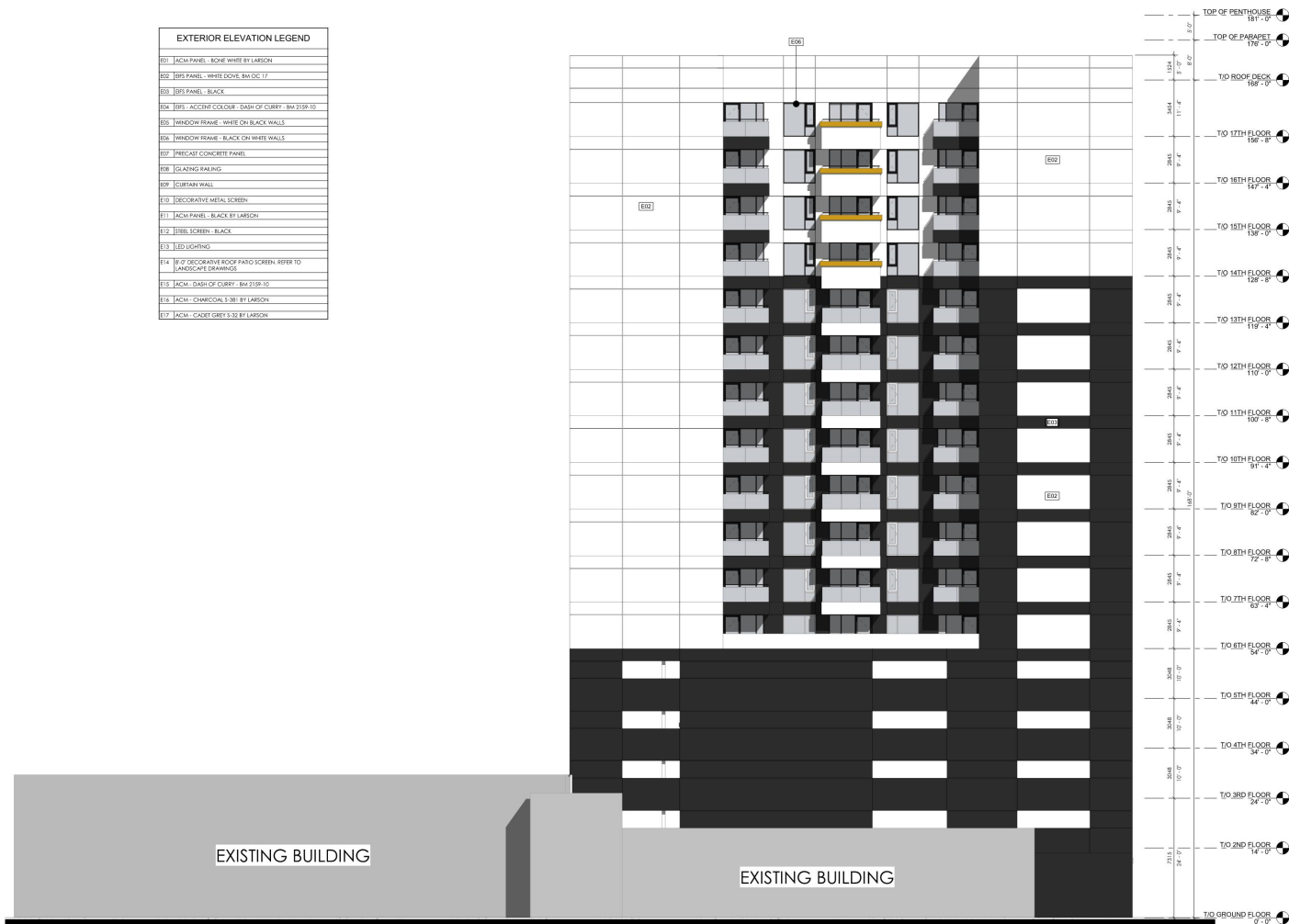
600 OULLETTE, WINDSOR

Sheet Title:
EAST ELEVATION

Design By: MAJ	Drawn By: BL/TV	Approved By: EM
Scale: 1" = 10'-0"	Date: Issue Date	Project No.: 19-023
Drawing No:		

A302 Ot: _____
Drawing Series: _____

EXTERIOR ELEVATION LEGEND	
001	ACM PANEL - BONE WHITE BY LARSON
002	SPS PANEL - WHITE DOVE, BM-00-17
003	SPS PANEL - BLACK
004	SPS - ACCENT COLOUR - DASH OF CURRY - BM-3100-10
005	WINDOW FRAME - WHITE ON BLACK WALLS
006	WINDOW FRAME - BLACK ON WHITE WALLS
007	PRECAST CONCRETE PANEL
008	GLAZING RAILING
009	CURTAIN WALL
010	DECORATIVE METAL SCREEN
011	ACM PANEL - BLACK BY LARSON
012	STEEL SCREEN - BLACK
013	LED LIGHTING
014	6" W/ DECORATIVE ROOF FASCIA SCREEN, REFER TO LANDSCAPE DRAWINGS
015	ACM - DASH OF CURRY - BM-3100-10
016	ACM - CHARCOAL L381 BY LARSON
017	ACM - CADET GREY 5-32 BY LARSON



Project North:	True North:
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SPA FILE NO. -	
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2	RE-ISSUED FOR SPA	2021 01 25
1	RE-ISSUED FOR PRE-SUBMISSION APPLICATION	2020 01 15
REV	DESCRIPTION	REV. DATE

Drawing Issues/Revisions:	
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Note:
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	MATAJ ARCHITECTS INC. 418 Rosedale Shore Road Unit 204 Oakville, Ontario L6H 0P7 705.221.4444
--	--

Architect's Stamp

	Ouellette Condo Tower 600 OUELLETTE, WINDSOR
--	--

Sheet Title:	
SOUTH ELEVATION	

Design By:	Drawn By:	Approved By:
MAJ	BL/TV	EM
Scale:	Date:	Project No:
1" = 10'-0"	Issue Date	19-023
Drawing No:		
A303		CL:
Drawing Series:		



EXTERIOR ELEVATION LEGEND	
001	LACM PANEL - BONE WHITE BY LARSON
002	EPF PANEL - WHITE DOVE BM DC 13
003	EPF PANEL - BLACK
004	EPF - ACCENT COLOUR - DASH OF CURRY - BM 2139 10
005	WINDOW FRAME - WHITE ON BLACK WALLS
006	WINDOW FRAME - BLACK ON WHITE WALLS
007	PRECAST CONCRETE PANEL
008	GLASSING RAILING
009	CURTAIN WALL
010	DECORATIVE METAL SCREEN
011	LACM PANEL - BLACK BY LARSON
012	STRL SCREEN - BLACK
013	LED LIGHTING
014	8' 0" DECORATIVE ROOF PANO SCREEN- REFER TO LANDSCAPE DRAWINGS
015	LACM - DASH OF CURRY - BM 2139 10
016	LACM - CHARCOAL 1-381 BY LARSON
017	LACM - CADET GREY 5-33 BY LARSON

Project North:	True North:

SPA FILE NO. -

REV	DESCRIPTION	REV. DATE
2	RE-ISSUED FOR SPA	2021 01 25
1	RE-ISSUED FOR PRE-SUBMISSION APPLICATION	2020 01 15

Drawing Issues/Revisions:

Note:
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Project:
Ouellette Condo Tower
600 OUELLETTE, WINDSOR

Sheet Title:
WEST ELEVATION

Design By: MAJ	Drawn By: BL/TV	Approved By: EM
Scale: 1" = 10'-0"	Date: Issue Date	Project No: 19-023
Drawing No: A304		
Drawing Series:		



Council Report: C 70/2021

Subject: Extension of Interim Control By-law 103-2020 - City Wide

Reference:

Date to Council: June 7, 2021
Author: Laura Diotte, MCIP, RPP
Senior Planner
519-255-6543 x6396
lbdiotte@citywindsor.ca

Planning & Building Services
Report Date: May 18, 2021
Clerk's File #: Z/13872

To: Mayor and Members of City Council

Recommendation:

That Council **PASS** By-law xx -2021 being a by-law to amend Interim Control By-law 103-2020 to extend the period of time which Interim Control By-law 103-2020 is in effect from one year to two years from the date of the passing of Interim Control By-law 103-2020.

That the City Clerk **BE AUTHORIZED** to provide the required notice of the passage of this by-law.

Executive Summary:

N/A

Background:

An ICBL is an important planning tool that allows the municipality to rethink its current land use policies by suspending development that may end up conflicting with any new policy that may be developed. However, in order to enact an ICBL, Council must direct that a review or study be undertaken with respect to the existing land use policies in question.

Section 38(1) of the Planning Act permits a municipality to pass an interim control by-law (ICBL) that prohibits the use of land, buildings or structures for such purposes as set out in the by-law. This in effect “freezes” development that is described by the by-law for a period not to exceed one year, or two years if the period the ICBL is in effect is extended.

On July 13th, 2020, Council approved Interim Control By-law 103-2020 (see Appendix A) that prohibits the use on all lands, buildings, and structures for a Group Home, Shelter, Lodging House, and a Dwelling with five or more dwelling units, other than those exempted in the Interim Control By-law in order to conduct a study. No appeals were received. This will allow Administration to review and, if deemed appropriate, implement the findings of the said study.

The main purposes of the land use study are to:

- 1) Review those definitions that relate to dwellings and dwelling units, or are residential in nature;
- 2) Review zones, zoning districts, and provisions to determine an appropriate range of permitted residential uses and provision, including merging zones and zoning districts and to ensure that the zones, zoning districts, and provisions are consistent with the Provincial Policy Statement, 2020 (PPS), especially, but not limited to Policy 4.4 that requires the implementation of the PPS in a “Manner that is consistent with Ontario Human Rights Code” – accommodation/housing is a protected social area in the Ontario Humans Rights Code – and are consistent with the policy direction of the Official Plan;
- 3) Ensure compatibility with existing development, while allowing or encouraging certain areas to evolve to a higher-density and/or higher profile residential development.

Discussion:

The required land use study is being conducted through a combination of in-house tasks and a specific consultant work program. The in-house components of the study are well underway, however, given the breadth and complexity of the issues related to the subject zoning definitions, establishing local area density targets, and infrastructure coordination (basement flooding and sewer master plans work) as well as a host of new legislated changes to the Planning Act, additional time is required to complete the full study and to bring forward comprehensive recommendations to address the problematic land use components under review.

Section 38(2) of the Planning Act allows the council of a municipality to pass a by-law to amend the ICBL to extend the period of time during which it will be effect, provided the

total period of time does not exceed two years from the date of the passing of the ICBL. Any person or public body given notice of any extension to the ICBL, within 60 days of the passing of the extension, may appeal the passing of the extension to the Local Planning Appeal Tribunal.

There is no statutory requirement to provide any notice or hearing prior to the passing of an extension of the period an ICBL is in effect. However, subsequent to passing an extension to the period an ICBL is in effect, Section 38(3) requires that the City give notice of passing of the amending by-law in the manner and to the persons and public bodies and containing the information prescribed, within 30 days of the passing. Section 9 of the Ontario Regulation 545/06 describes how notice of passing a by-law extending the period during which an interim control by-law will be in effect shall be given.

Section 38(7) of the Planning Act prohibits an ICBL from being passed for the same land for a period of three years from the date the former ICBL ceased to be in effect.

While Interim Control By-law 103-2020 prohibits the use on all lands, buildings, and structures for a Group Home, Shelter, Lodging House, and a Dwelling with five or more dwelling units, other than those exempted in the Interim Control By-law:

That Council may review, on a case-by-case basis, any requested amendment to the Interim Control By-law where there is a determination that the requested amendment will not conflict with the general purpose and intent of the Interim Control By-law.

There have been a number dwellings with five or more units (i.e. multi-residential) that have been granted exemption through a successful rezoning process, and there will also be some direct exemption reports coming Council in the near future. The direct exemptions are required when the underlying zoning permits the use, but the Interim Control Bylaw prohibits it. Recommendations for these reports will be based on higher level criteria aimed at ensuring that the exemption “will not conflict with the general purpose and intent of the Interim Control By-law.”

Risk Analysis:

If the amending by-law to extend the period during which Interim Control By-law 103-2020 is in effect is not approved, there is a low to moderate risk that new residential development could be created that is not compatible with surrounding uses. However these issues will be the subject of any exemption requests reports/recommendations along with public input and discussion at both Standing Committee and Council which should provide for the proper examination of any compatibility issues when determining a final decision.

Financial Matters:

As already stipulated and approved in Report C 141-2020 (attached as Appendix A), completing the entire scope of the Land Use Study is beyond the capacity of the Planning Division and requires the hiring of a consultant(s) to conduct components of the study, including feedback from stakeholders and the public. The cost for this study component is estimated to have an upset limit of \$100,000. It is proposed that the consultant study component be funded \$45,000 from Sandwich South Secondary Plans

capital project 7071166 and \$55,000 from the Comprehensive Zoning By-Law capital project 7092002. Both projects currently have adequate available uncommitted balances to contribute as suggested.

Consultations:

This report was prepared in consultation with the Legal Department. The findings and recommendations of the of the land use study will be prepared in consultation with appropriate property owners, and developers as well as the general public - all as part of a public consultation process, including Development and Heritage Standing Committee.

Conclusion:

Administration is recommending that Interim Control By-law 103-2020 be extended from one year to two years from the date of the passing of Interim Control By-law 103-2020, thus remaining in effect until July 13, 2022. This will allow Administration to complete the study of the problem, propose possible solutions and revise policies and provisions that aim to balance the needs of Group Home, Shelter, Lodging House, and a Dwelling with five or more dwelling units and address overall density targets in coordination with present and future infrastructure capacity. Study Recommendations will be tabled at a future Development & Heritage Standing Committee Meeting as to allow for public review and discussion prior to its consideration by City Council.

Planning Act Matters:

I concur with the above comments and opinion of the Registered Professional Planner.

Thom Hunt, MCIP, RPP

City Planner

I am not a registered Planner and have reviewed as a Corporate Team Leader

SAH JR

Approvals:

Name	Title
Neil Robertson	Manager, Urban Design
Thom Hunt	City Planner
Shelby Askin Hager	City Solicitor
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
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Name	Address	Email
None		

Appendices:

- 1 Appendix A - Report C 141 - 2020
- 2 Appendix B - By-law 103-2020

Subject: Interim Control By-law - Residential Dwellings (Density and Units) - City Wide

Reference:

Date to Council: July 13, 2020
Author: Thom Hunt, MCIP, RPP
City Planner
519-255-6543 x6897
thunt@citywindsor.ca
Planning & Building Services
Report Date: 7/8/2020
Clerk's File #: ACL2020

To: Mayor and Members of City Council

Recommendation:

That Council **PASS** By-law ____-2020 being an Interim Control By-law to prohibit all Group Homes, Lodging Houses, Shelters, and any dwelling with five or more dwelling units within the City of Windsor, save and except:

- a) those lands located within the Manufacturing District 1. (MD1.) and Manufacturing Districts 2. (MD2.) in Zoning By-law 8600 and within any Industrial Zone (M1) including Defined Area M1-11 and Defined Area M1-15 in Zoning By-law 85-18 (which are currently subject to Interim Control By-law 78-2019);
- b) those lands identified on Schedule 'P' to Zoning By-law 8600 (which were previously subject to Interim Control By-laws 126-2015, 127-2015, and 142-2015);
- c) those exceptions listed in Sections 2 and 3 of the Interim Control By-law; and
- d) those lands excluded in Section 5 of the Interim Control By-law,

to allow Council to review, and if deemed appropriate, implement the findings of the study; and,

That Council **MAY REVIEW**, on a case-by-case basis, any requested amendment to the Interim Control By-law where there is a determination that the requested amendment will not conflict with the general purpose and intent of the Interim Control By-law; and,

That the City Clerk **BE AUTHORIZED** to provide the required notice of the passage of this by-law; and,

That Council **AUTHORIZE** the City Planner to issue a Terms of Reference or a Request for Proposal with an upset limit of \$100,000 (funded \$45,000 from Sandwich South Secondary Plans project 7071166 and \$55,000 from Comprehensive Zoning By-Law project 7092002) to study and review the Official Plan and Zoning By-laws 85-18 and 8600 with respect to land use policies and provisions related to higher density dwellings such as, but not limited to, Group Home, Lodging House, Residential Care Facility, Shelter, and any dwelling with five or more dwelling units within the City of Windsor.

Executive Summary:

N/A

Background:

Section 38(1) of the *Planning Act* permits a municipality to pass an interim control by-law (ICBL) that prohibits the use of land, buildings or structures for such purposes as set out in the by-law. This in effect “freezes” development (that is described by the by-law) on the lands for a period not to exceed one year. An ICBL is an important planning tool that allows the municipality to rethink its current land use policies by suspending development that may end up conflicting with any new policy that may be developed. However, to enact an ICBL, Council must direct that a review or study be undertaken with respect to the existing land use policies in question.

Windsor’s Official Plan provides for the use of an ICBL, specifically it states that:

Council may pass Interim Control By-laws in accordance with the Planning Act to control and restrict the use of land, buildings or structures within the municipality or defined area, where council has directed that a review or study be undertaken in respect of land use planning policies in the municipality or defined area.

There is no statutory requirement to provide any notice or hearing prior to the passing of an ICBL, thus enabling the municipality to act quickly to freeze development. However, after passing the ICBL, Section 38(3) requires that the City give notice of passing of the ICBL in the manner and to the persons and public bodies and containing the information prescribed, within 30 days of the passing. Section 9 of the Ontario Regulation 545/06 describes how notice of passing of an ICBL shall be given.

Under Section 38(4), only the Minister of Municipal Affairs and Housing has the authority to appeal the passing of an ICBL passed under Section 38(1).

Section 38(2) allows the council of a municipality to pass a by-law to amend the ICBL to extend the period of time during which it will be effect, provided the total period of time does not exceed two years from the date of the passing of the ICBL. Any person or public body given notice of any extension to the ICBL, within 60 days of the passing of the extension, may appeal the passing of the extension to the Local Planning Appeal Tribunal.

Section 38(7) prohibits an ICBL from being passed for the same land for a period of three years from the date the former ICBL ceased to be in effect.

Discussion:

Zoning By-law 85-18 applies to the former Sandwich South lands transferred from the Town of Tecumseh and County of Essex to the City of Windsor. Zoning By-law 8600 applies to all the lands that formed the City of Windsor prior to the transfer.

Zoning By-laws 85-18 and 8600 have numerous residential zones or zoning districts that permit a higher density of housing including group homes, lodging houses, residential care facilities, shelters, and multiple dwellings. Each zone or zoning district permits a range of uses and regulates matters such as building setbacks, building height and landscaped open space yard, in addition to applicable general provisions, parking related provisions.

Gaps and conflicts have been identified as part of past housekeeping amendments and as part of the day-to-day operation and interpretation of the Zoning By-laws. Issues such as overlapping, or gaps in, definitions of dwellings, the restrictiveness of existing zoning districts permitting only a single use – predominantly single unit dwellings – or a limited range of housing types, and parking requirements have been long standing.

Growth in the student population, especially, international students, at the University of Windsor and St. Clair College, has increased demand for housing city-wide in general, but those areas near campus developments have been experiencing intensification pressures for many years. Developers and landlords see an opportunity to replace old housing stock with safe, modern housing stock that meets or exceeds current building code requirements, ranging from semi-detached dwellings, to fourplex dwellings, to apartment buildings with 100 or more units.

There has been ongoing intensification and redevelopment pressures around the campuses of the University of Windsor, St. Clair College, the hospitals, and the downtown, and in the adaptive reuse of former school sites. Typical zoning around those campuses is limited to low density low profile uses such as a single unit dwelling, requiring developers to apply to amend the zoning by-law to allow a higher-density use. Often, these applications come in waves or groups, and neighbourhoods can feel overwhelmed. There may be some value in allowing a broader range of uses in specific geographic areas or along specific corridors.

The Official Plan seeks to develop safe, caring and diverse neighbourhoods that provide opportunities for a broad range of housing types, promote compact neighbourhoods, promote residential development, infill, and intensification initiatives, in a manner that is compatible with the surrounding area in terms of scale, massing, height, siting, orientation, setbacks, parking and amenity areas, that is capable of being provided with full municipal physical services, and that facilitates a gradual transition from Low Profile development to Medium/High profile development and vice versa, where appropriate.

The main purposes of the study are to:

- 1) Review those definitions that relate to dwellings and dwelling units, or are residential in nature;

- 2) Review zones, zoning districts, and provisions to determine an appropriate range of permitted residential uses and provisions, including merging zones and zoning districts and to ensure that the zones, zoning districts, and provisions are consistent with the Provincial Policy Statement, 2020 (PPS), especially, but not limited to, Policy 4.4 that requires the implementation of the PPS in a “*manner that is consistent with Ontario Human Rights Code*” - accommodation/housing is a protected social area in the Ontario Human Rights Code - and are consistent with the policy direction of the Official Plan;
- 3) Ensure compatibility with existing development, while allowing or encouraging certain areas to evolve to a higher-density and/or higher profile residential development.

It is acknowledged that this is not just a regulatory problem, and that the study should not be limited to review of the existing Zoning By-laws - e.g. the creation of design guidelines that speak to compatibility issues in existing neighbourhoods or areas.

Therefore, Administration is recommending an Interim Control by-law that prohibits certain residential uses that are problematic from a definition and operational point-of-view, or that are problematic from a density perspective. This will allow Administration to draft and issue a Request for Proposal (RFP) for one or more consultants to assist with the review of existing policies and regulations, study the extent of the problem, obtain feedback from the public through appropriate means such as open houses, propose potential solutions, and provide revised policies and provisions that aim to balance the needs of residents, tenants, property owners, developers, and landlords.

The proposed ICBL does not apply to those lands currently subject to Interim Control By-law 78-2019 regarding Transport Terminals, those lands that were subject to Interim Control By-laws 126-2015, 127-2015, and 142-2015 which dealt with off-street parking, building facades, and other traditional commercial mainstreet matters, and those lands further identified in Section 5 of the ICBL.

Sections 2 & 3 of the ICBL list exceptions for land where a Zoning By-law amendment came into force on or after January 1, 2017, which recognizes the lag between rezoning approval and development, for the continued use of existing buildings, the use of a Lodging House where both a Lodging House AND Residential Care Facility are allowed, the creation of dwelling units in a Combined Use Building, the creation of Additional Dwelling Units per Section 5.99.80 of Zoning By-law 8600, and the repair of a building where an order is issued pursuant to Property Standards By-law 9-2019.

Exemptions or exceptions are permitted on a case-by-case basis and require approval by Council.

Risk Analysis:

The proposed Interim Control By-law will prohibit the creation of select dwelling types in the City of Windsor until the study is completed. The Planning Act does provide City Council the authority to grant exceptions to the by-law while the study is being completed. There is a moderate risk that a property owner could face a delay to create new dwellings or intensify an existing dwelling or lot while the study is being completed.

Financial Matters:

The scope of the proposed Land Use Study is beyond the capacity of the Planning Division and will require the hiring of one or more consultants to conduct the study, including feedback from stakeholders and the public. The cost for this initiative is estimated to have an upset limit of \$100,000. It is proposed that the study be funded \$45,000 from Sandwich South Secondary Plans capital project 7071166 and \$55,000 from the Comprehensive Zoning By-Law capital project 7092002. Both projects currently have adequate available uncommitted balances to contribute as suggested.

Consultations:

This report was prepared in consultation with the Legal Department and with Don Nantais, Financial Planning Administrator. The findings and recommendations of the of the Land Use Study will be prepared in consultation with residents, property owners, developers, tenants and landlords, as well as the general public - all as part of a public consultation process, including Development and Heritage Standing Committee.

Conclusion:

Administration is recommending that the Interim Control By-law be passed. This will allow Administration with the assistance of one or more consultants to study the problem, propose possible solutions and revise policies and provisions that balance the needs of existing residents, property owners, developers, tenants and landlords.

Planning Act Matters:

Thom Hunt, MCIP, RPP
City Planner

I am not a registered Planner and have reviewed as a Corporate Team Leader

SAH JM / OC

Approvals:

Name	Title
Thom Hunt	City Planner
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Joe Mancina on behalf of Onorio Colucci	Chief Administrative Officer

Notifications:

Name	Address	Email
None		

Appendices:

None

BY-LAW NUMBER 103-2020

A BY-LAW TO IMPOSE INTERIM CONTROL ON CERTAIN RESIDENTIAL USES WITHIN THE CITY OF WINDSOR C 141/2020

Passed the 13th day of July, 2020.

WHEREAS Section 38 of the Planning Act, R.S.O. 1990, Chapter p. 13, provides that the Council of a local municipality had by resolution, directed that a study be undertaken in respect of land use planning policies in the municipality of in a defined area thereof, the Council of the municipality may pass a by-law to be in effect for a period of time specified in the by-law, which period shall not exceed one year from the date of the passing thereof, prohibiting the use of lands, buildings, or structures within the municipality or within the defined area or areas thereof, for such purposes as may be set out in the by-law;

AND WHEREAS the Council of The Corporation of the City of Windsor has by resolution directed that a study and review of Zoning By-laws 85-18 and 8600 be undertaken in respect of land use planning policies related to higher density dwellings such as, but not limited to, Group Homes, Shelters, Lodging Houses, Residential Care Facilities and dwellings with five or more dwelling units within the City of Windsor;

AND WHEREAS the Council of The Corporation of the City of Windsor deems it expedient and in the public interest to prohibit the use on all lands, buildings, and structures for a Group Home, Shelter, Lodging House, and a Dwelling with five or more dwelling units, other than those excepted by the Interim Control By-law, in order to allow the municipality to review and, if deemed appropriate, implement the findings of the said study.

THEREFORE the Council of the Corporation of the City of Windsor enacts as follows:

1. In this By-law,

ACCESSORY BUILDING means a completely detached building used for an accessory use of the lot, for one dwelling unit where permitted by Section 5.99.80 in Zoning By-law 8600, or for any combination thereof.

ACCESSORY USE means a use which is customarily incidental, subordinate, and exclusively devoted to the main use and is carried on with such main use on the same lot.

BUILDING means a structure, consisting of a wall, roof and floor, or any one or more of them, or a structural system serving the function thereof, including all the works, fixtures and service systems appurtenant thereto, but does not include the following: access area, collector aisle, driveway, parking aisle or parking space not in a parking garage; fence; patio; sign as defined by the Windsor Sign By-law.

COMBINED USE BUILDING means a building having, as main uses, at least one dwelling unit and at least one non-residential use.

DENSITY means a ratio expressed as the number of dwelling units per hectare and indicates the number of dwelling units that may be erected or maintained per hectare on a lot.

DOUBLE DUPLEX DWELLING means one dwelling divided into four dwelling units by vertically attaching two duplex dwellings with no direct internal connection between the dwelling units. A multiple dwelling,

semi-detached dwelling, stacked dwelling, or townhome dwelling is not a double duplex dwelling.

DUPLEX DWELLING means one dwelling divided horizontally into two dwelling units with no direct internal connection between the dwelling units. A single unit dwelling with two dwelling units is not a duplex dwelling.

DWELLING means a building or structure that is occupied for the purpose of human habitation. A correctional institution, hotel, motor home, recreational vehicle, tent, tent trailer, or travel trailer is not a dwelling.

DWELLING UNIT means a unit that consists of a self-contained set of rooms located in a building or structure, that is used or intended for use as residential premises, and that contains kitchen and bathroom facilities that are intended for the use of the unit only.

FRATERNITY OR SORORITY HOUSE means a dwelling used exclusively for the accommodation of students of a college or university who are also members of a chartered fraternity or sorority.

GROUP HOME means a dwelling that is:

1. For the accommodation of six to ten persons, exclusive of staff;
2. For persons living under supervision in a single housekeeping unit and who require a group living arrangement for their well-being; and
3. Licensed or funded by the federal, provincial, or municipal government.

A group home dwelling is a group home.

A correctional institution, fraternity or sorority house, hospital, hotel, lodging house, private home day care, religious residence, or residential care facility is not a group home.

LODGING HOUSE means a dwelling in which a minimum of four persons, not including staff, are provided with lodging for hire, with or without meals.

A boarding house, rooming house, or senior citizen housing is a lodging house

A correctional institution, fraternity or sorority house, group home, hospital, hotel, private home day care, religious residence, or residential care facility is not a lodging house.

LOT means a contiguous parcel of land under one ownership, the boundaries of which are on record in the Land Registry Office of the County of Essex (No. 12) in the Registry or Land Titles Division.

MAIN BUILDING means a building used for the main use of the lot and may also include in combination therewith an accessory use subject to any applicable provisions for an accessory use.

MAIN USE means the principal use or uses of a building, lot, premises, or structure.

MOBILE HOME DWELLING means one mobile home as defined by Section 46 of the Planning Act, R.S.O. 1990, c. P.13.

MULTIPLE DWELLING means one dwelling containing a minimum of three dwelling units. A double duplex dwelling, semi-detached dwelling, stacked dwelling, or townhome dwelling is not a multiple dwelling.

PREMISES means a lot, building, structure, or any combination thereof where a use is carried on.

RELIGIOUS RESIDENCE means a dwelling used for the accommodation, without profit or gain, of members of a religious community or religious association and may include as an accessory use a place of worship. A convent or monastery is a religious residence.

RESIDENTIAL CARE FACILITY means a dwelling that is:

1. For the accommodation of eleven or more persons, exclusive of staff;
2. For persons requiring supervised or assisted living arrangements; and
3. Licensed or funded by the federal, provincial, or municipal government.

A nursing home is a residential care facility.

A correctional institution, group home, hospital, hotel, lodging house, multiple dwelling or religious residence is not a residential care facility.

SEMI-DETACHED DWELLING means one dwelling divided vertically into two dwelling units by a common interior wall having a minimum area above grade of 10.0 sq. m., and may include, where permitted by Section 5.99.80 in Zoning By-law 8600, up to two additional dwelling units.

SEMI-DETACHED DWELLING UNIT means one dwelling unit in a semi-detached dwelling, and may include, if permitted by Section 5.99.80 in Zoning By-law 8600, one additional dwelling unit.

SHELTER means a lodging house used exclusively for the provision of temporary accommodation to individuals who need ancillary health care, counselling, and social support services.

SINGLE UNIT DWELLING means one dwelling having one dwelling unit or, where permitted by Section 5.99.80 in Zoning By-law 8600, one dwelling having two dwelling units. A single family dwelling is a single unit dwelling. A duplex dwelling, mobile home dwelling, semi-detached dwelling unit, or townhome dwelling unit, is not a single unit dwelling.

STACKED DWELLING means a dwelling consisting of a row of three or more dwelling units having one or more dwelling units located above them, with all dwelling units having individual exterior entrances. A double-duplex dwelling, semi-detached dwelling, or townhome dwelling is not a stacked dwelling.

STRUCTURE means anything, including any component part, that is erected, built, or constructed and affixed to or supported by the ground.

STUDENT RESIDENCE means a dwelling operated and maintained by a college or a university and may include a common area, cooking facility or dining facility.

TOWNHOME DWELLING means one dwelling vertically divided into a row of three or more dwelling units attached by common interior walls, each wall having a minimum area above grade of 10.0 sq. m., and may include, where permitted by Section 5.99.80 in Zoning By-law 8600, additional dwelling units. A semi-detached dwelling is not a townhome dwelling.

TOWNHOME DWELLING UNIT means one dwelling unit in a townhome dwelling, and may include, if permitted by Section 5.99.80 in Zoning By-law 8600, one additional dwelling unit.

USE

1. when used as a noun means the purpose for which a building, lot, premises, or structure is designed, maintained, or occupied.
2. when used as a verb means anything done by any person or permitted, either directly or indirectly by any person, for the purpose of making use of a building, lot, premises, or structure.
2. Notwithstanding the permitted uses, prohibited uses, and provisions of Zoning By-law 8600 as amended, within any zoning district, specific zoning

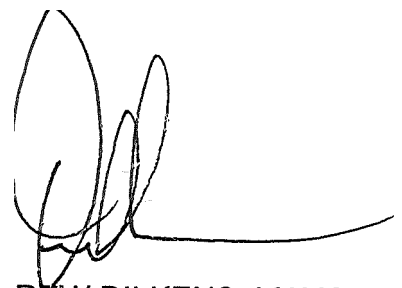
exception, or overlay, no land, building, or structure shall be used as a Group Home, Lodging House, a Shelter, or a dwelling with five or more dwelling units, except:

- (1) For any lands where an amending by-law to Zoning By-law 8600 to permit a Group Home, Lodging House, Shelter, or any dwelling with five or more dwelling units came into force on or after January 1, 2017;
 - (2) The continued use of land, building, or structure lawfully existing on the day of passage of this By-law as a Group Home, Lodging House, Shelter, or Dwelling with five or more dwelling units, provided such use is permitted on that land, or in that building or structure, by By-law 8600;
 - (3) The use of land, building, or structure as a Lodging House where both a Lodging House and a Residential Care Facility are permitted uses in the zoning district, specific zoning exception, or overlay; however, a Shelter is prohibited;
 - (4) The creation or construction of dwelling units in a Combined Use Building where a Combined Use Building is a permitted use in the zoning district, specific zoning exception, or overlay;
 - (5) The creation or construction of a new additional dwelling unit, or the expansion of an existing additional dwelling unit, in compliance with Section 5.99.80 of Zoning By-law 8600; or
 - (6) The repair of a building or structure lawfully existing on the day of passing of this By-law to comply with an order issued pursuant to the Property Standards By-law No. 9-2019;
3. Notwithstanding the permitted uses, prohibited uses, and provisions of Zoning By-law 85-18 as amended, within any zone or defined area, no land, building, or structure shall be used as a Group Home, Lodging House, a Shelter, or a dwelling with five or more dwelling units, except:
 - (1) The continued use of land, building, or structure lawfully existing on the day of passage of this By-law as a Group Home, Lodging House, Shelter, or Dwelling with five or more dwelling units, provided such use is permitted on that land, or in that building or structure, by By-law 85-18;
 - (2) The use of land, building, or structure as a Lodging House where both a Lodging House and a Residential Care Facility are permitted uses in the zone or defined area, however, a Shelter is prohibited;
 - (3) The repair of a building or structure lawfully existing on the day of passing of this By-law to comply with an order issued pursuant to the Property Standards By-law No. 9-2019;
4. That where any conflict exists between the provisions of this By-law and any other By-law of The Corporation of the City of Windsor, this By-law shall prevail.
5. The provisions of this by-law do not apply to the following lands:
 - (1) Any lands located within the Manufacturing District 1. (MD1.) and Manufacturing Districts 2. (MD2.) in Zoning By-law 8600 and within any Industrial Zone (M1) including Defined Area M1-11 and Defined Area M1-15 in Zoning By-law 85-18 in the City of Windsor (which are currently subject to Interim Control By-law 78-2019).
 - (2) Any lands identified on Schedule 'P' to Zoning By-law 8600 (which were subject to Interim Control By-laws 126-2015, 127-2015, and 142-2015).
 - (3) 1200-1220 University Avenue West**
Part Lot 73, Concession 1 (Roll No. 040-170-05400; north side of University Avenue West, west of Elm Avenue)

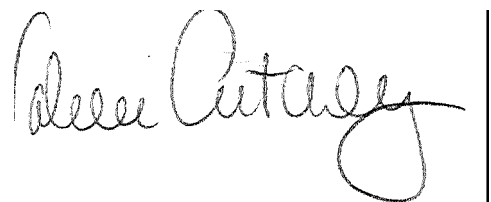
(4) 3165, 3173, & 3177 to 3195 Sandwich Street

Part Lots 3 & 4, Registered Plan 40 (Roll No. 050-140-11000, 050-140-10900, 050-140-10505; northeast corner of Sandwich Street and Mill Street)

This by-law shall come into force and take effect on the day of the final passing thereof.



REW DILKENS, MAYOR



CITY CLERK

First Reading - July 13, 2020
Second Reading- July 13, 2020
Third Reading - July 13, 2020



Council Report: C 75/2021

Subject: Request to extend timeframe for redevelopment of demolished residential dwellings located at 1279-1281 and 1283-1285 Langlois Avenue, which are subject to Demolition Control By-law 131-2017 (Ward 4)

Reference:

Date to Council: June 7, 2021
Author: Greg Atkinson, Senior Planner
519-255-6582 ext. 6582
gatkenson@citywindsor.ca
Planning & Building Services
Report Date: May 20, 2021
Clerk's File #: SB2021

To: Mayor and Members of City Council

Recommendation:

1. THAT the condition of demolition permits authorized via CR254/2019 requiring the construction of a new building to be substantially complete with two years of the commencement of demolition work at 1279-1281 and 1283-1285 Langlois Avenue **BE EXTENDED** for two years (i.e. until June 6, 2023);
2. THAT demolition permits #19-205365 and #19-205370 **BE COMPLETED AND CLOSED** by August 31, 2021;
3. THAT grass **BE INSTALLED** at 1279-1281 and 1283-1285 Langlois Avenue by August 31, 2021.

Executive Summary:

N/A

Background:

The subject properties are located at 1279-1281 and 1283-1285 Langlois Avenue (see Appendix 1) and are owned by the Polish Peoples' Home Association (the 'Owner').

The properties area designated for Mixed Use in the City's Official Plan and zoned Residential District (RD3.5), which permits a range of residential uses. The subject properties are also subject to a site specific zoning provision in Section 20(1)43 that permits a multiple dwelling with a maximum of eight dwelling units.

Demolition Control By-law 131-2017 applies to properties containing a residential dwelling unit located within 100 metres (328 feet) of traditional commercial streets, which includes properties north and south of the Ottawa Street Business Improvement Area. The By-law prohibits demolition of any residential property in the demolition control area unless a permit is issued by Council.

The By-law allows Council to attach a condition to a demolition permit requiring redevelopment to be substantially completed within a specified timeframe (i.e. must be at least two years from demolition permit issuance). If the condition is not met the City may impose a fee of up to \$20,000 for each dwelling unit that was demolished and may put the fee on the tax roll of the subject property.

Council passed the following resolution (CR254/2019) on May 27, 2019, which approved a request to demolish two duplex dwellings on the subject properties:

*THAT the Chief Building Official **BE AUTHORIZED** to issue a demolition permit for the residential dwellings located at 1279-1281 and 1283-1285 Langlois Avenue to facilitate redevelopment of the properties; and,*

*THAT the Chief Building Official **BE DIRECTED** to require, as a condition of the demolition permit, that:*

- 1. Redevelopment be substantially complete within two years of demolition permit issuance; and*
- 2. If redevelopment, including construction of a new building, is not substantially complete within two years of the commencement of demolition the maximum penalty (\$80,000) shall be entered on the collectors roll of the property; and*
- 3. THAT the City Solicitor be **BE DIRECTED** to register a notice of condition # 2 in the land registry office against the property.*

The properties are currently vacant and contain debris (see Appendix 2). Demolition permits, which require the sites to be clean, clear and level; footings and foundations removed; and graded to prevent ponding or runoff onto adjoining properties have not been completed/closed by the applicant.

Discussion:

The Owner proposes to construct a multiple dwelling with 8 dwelling units on the subject properties. Site Plan Approval was issued on June 25, 2019 and several conditions of approval are outstanding. The development has not proceeded due to declining revenue (i.e. as a result of Covid-19 restrictions) and the increased cost of building materials. The Owner has requested an extension to the site plan approval as well as the conditions related to the demolition approval until 2023 (see Appendix 3).

The *Planning Act* and Demolition Control By-law 131-2017 allows any person who has obtained a demolition permit and considers that it is not possible to complete the new building or redevelopment within the time specified or is of the opinion that the construction of the new building or redevelopment has become not feasible on economic or other grounds, to apply to the Council for relief from the conditions. In the application to Council for relief the applicant shall demonstrate that it is not feasible to complete the proposed new building or redevelopment within the specified time.

Administration is satisfied with the reasons provided by the owner and recommend extending the condition of demolition approval requiring the construction of a new building to be substantially complete with two years of the commencement of demolition work for an additional two years (i.e. until June 6, 2023). It is also recommended that Owner be required to complete and close the demolition permit—clearing debris from the site, grading to prevent ponding or runoff onto adjoining properties, as well as install grass.

Risk Analysis:

There is some risk associated with approval of the requested extension. The requirement to replace the demolished dwelling is intended ensure housing stock is promptly replaced and to prevent vacant land from negatively affecting the City's neighbourhoods and Business Improvement Areas. To mitigate this risk, it is recommended that the Owner complete and close the demolition permits #19-205365 and #19-205370 and install grass on the properties. A deadline of August 31, 2021 is recommended to complete this work. If the work is not complete, it is recommended that the City have the work completed and paid for with the site plan control securities already collected from the applicant (i.e. \$12,600).

Climate Change Risks

Climate Change Mitigation:

The proposed 8 unit multiple dwelling implements Environmental Master Plan Objective C1: Encourage in-fill and higher density in existing built areas.

Climate Change Adaptation:

The proposed new dwelling units may be affected by climate change, in particular with respect to extreme precipitation and an increase in days above 30 degrees. While not the subject of this report, any new construction would be required to meet the current provisions of the Building Code, which would be implemented through the building permit process. The site would also be required to incorporate storm water management best practices. Any site plan control application will be reviewed for opportunities to enhance resiliency.

Financial Matters:

The City has collected securities in the amount of \$12,600 from the applicant (i.e. \$7500 landscaping, \$3000 lighting, \$2100 curbing). Part of these securities may be put toward removal of debris, grading, and landscaping if the work is not completed by the Owner before August 31, 2021.

Consultations:

Staff in the Planning, Building and Legal Departments have all been consulted in the preparation of this report.

Conclusion:

It is recommended that Council approve the request to extend the conditions of demolition approval until June 6, 2023. Further it is recommended that the Owner complete and close the demolition permits, which includes clearing and grading the properties. The Owner should also be required to install grass. This work should be complete by August 31, 2021 and if not, the City should arrange to have the work completed and paid for from the site plan securities already collected from the Owner.

Planning Act Matters:

N/A

Approvals:

Name	Title
Michael Cooke	Manager of Planning Policy/Deputy City Planner
Thom Hunt	City Planner
Joe Baker	Manager of Permits / Deputy CBO
John Revell	Chief Building Official
Shelby Askin Hager	City Solicitor
Jason Reynar	CAO

Notifications:

Name	Address	Email
Margaret Holec		info@polishclubwindsor.com
Joe Passa		joseph@passa.ca

Appendices:

- 1 Location Map
- 2 Site Photo
- 3 Request for Extension







POLISH CLUB WINDSOR

POLISH PEOPLE'S HOME ASSOCIATION

Windsor, May 10, 2021

City of Windsor,
Building Department
401 City Hall Square
Windsor, Ontario

Re: RE: SPC-011/19 (Polish Peoples' Homes Association - 1279 Langlois Ave) - Anticipated timelines
Extension of the Demolition Permit and Site Plan Agreement

To: John Revell, Chief Building Official

I would like to kindly request an extension to both, the Demolition Permit and Site Plan Agreement to allow our Apartment project to commence at a later date, possibly until 2023.
Due to unconceivable circumstances, including the consequences of the pandemic as there is no revenue from the bar establishment, banquet hall facilities and a restaurant which altered our course of action. In addition, the cost of building material has increased tremendously which has exceeded our projected budget. We need to postpone our plans until products are more reasonable and our facility is active again and earns revenue.

I hope that you understand our situation and view our request favorably.

Regards,

Margaret Holec
Polish Club Windsor
1275 Langlois Ave.
Windsor, ON N8X 4L6
Office: (519) 253-2708

Cell: (519) 551 2628

[Website](#) - [Facebook](#) - [Twitter](#) - [Instagram](#) - [Pinterest](#) - [Eventbrite](#) - [Polish Beach Club](#)



Council Report: C 62/2021

Subject: Purchase of One (1), 2020 Ford F550 4X4 Service Crane Truck for the Pollution Control Operations for Service, Maintenance and Repair of its Pumping Stations and Plants, to be utilized City Wide.

Reference:

Date to Council: June 7, 2021
Author: Chad Goebel
Fleet Coordinator
519-255-6560 x4235
cgoebel@citywindsor.ca
Public Works - Operations

Public Works - Operations
Report Date: May 11, 2021
Clerk's File #: SW2021

To: Mayor and Members of City Council

Recommendation:

THAT City Council **APPROVE** the purchase of one (1) new, unused 2020 Ford F550 4X4 Service Crane Truck; and,

THAT the Purchasing Manager **BE AUTHORIZED** to issue a purchase order to The Auto Source Inc. in the amount of \$159,000.00 (excluding HST) for the purchase of the one (1) 2020 Ford F550 4X4 Service Crane Truck, subject to approval as to technical content by the City Engineer and in financial content to the Chief Financial Officer and City Treasurer; and,

THAT City Council **APPROVE** the transfer of up to \$46,798.40 from the Pollution Control Reserve Fund, Fund 208, to the 2020 Fleet Additions and Upgrades Project 7201009 to provide additional funds needed for purchase of the service crane truck addition.

Executive Summary:

N/A

Background:

This purchase is an addition to the fleet approved under the 2020 Fleet Additions & Upgrades Project OPS-022-07, CR B57/2020. The Pollution Control Operation has an

existing unit currently in service, #0767, a 1999 F350 4X4, that is no longer on a replacement plan and is well beyond its useful life. Additionally, the old unit is underrated to meet the current and future hoisting needs of the Pollution Control operations with respect to servicing the various Pumping Stations throughout the City. A new vehicle was approved for purchase to increase versatility and to enhance safety servicing the various Pumping Stations or Wastewater Treatment Plants in emergency situations.

Discussion:

The pandemic has significantly impacted the manufacturing sector and continues to cause excessive delays in new equipment production and limited availability of specialized equipment. Further to this with water levels continuing to be well above normal for the area, the potential for flooding remains a serious risk to the operation and the community. This unit being considered for purchase meets the needs of the operation and is readily available for purchase and delivery. Administration is recommending the purchase of this Service Crane Truck from The Auto Source Inc. in accordance with the purchasing By-Law.

Risk Analysis:

The existing non-dedicated vehicle, 1999 unit #0767, is beyond its useful life and underrated to safely lift the pumps currently in use at the various Pumping Stations. Any delay in replacement may result in costly repairs to the old unit and puts the Pollution Control Operation at risk of being unable to provide the expected level of service due to delays including emergency situations.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

Addition of a service crane truck for Pollution Control was approved by the Fleet Review Committee in consideration of forecasted fleet replacements and additions and by City Council during the 2020 capital budget process, CR B57/2020.

The total cost of this service crane truck is \$159,000.00 excluding HST, or \$161,798.40 including non-refundable HST. In addition, approximately \$25,000 will be required for fit-up costs for this truck.

The approved budget allotment for this truck is \$140,000 including non-refundable HST. Additional funding of \$21,798.40 is required to purchase this truck, and additional

funding of \$25,000 is required for the fit-up of the truck. Funding of up to \$50,000 is available for transfer from the Pollution Control Reserve Fund 208. Administration confirms the reserve has been reviewed and adequate unencumbered funds are available for immediate use. The Pollution Control Reserve Fund 208, as of March 30, 2021, has approximately \$4.07M in available funds.

Summary of Cost and Funding:

Costs:

2020 Ford F550 4X4 Service Crane Truck	\$159,000.00
Add: non-refundable HST	\$2,798.40
Fit-up Costs	\$25,000.00
Total Cost of Truck	<u>\$186,798.40</u>

Funding:

Project ID 7201009, approved 2020 budget	\$140,000.00
Pollution Control Reserve Fund 208	\$46,798.40
Total Funding Available	<u>\$186,798.40</u>

Consultations:

Cindy Becker – Financial Planning Administrator – Public Works Operations

Conclusion:

Administration recommends the purchase of this one (1) 2020 Ford F550 4x4 Service Crane Truck for the Pollution Control Operation of the Public Works Department. Administration also recommends the transfer of \$46,798.40 from the Pollution Control Reserve Fund 208 to the 2020 Fleet Additions and Upgrades Project 7201009 to provide additional funding needed for this purchase.

Planning Act Matters:

N/A

Approvals:

Name	Title
Cindy Becker	Financial Planning Administrator – Public Works Operations
Angela Marazita	Fleet Manager
Dwayne Dawson	Executive Director of Operations

Name	Title
Mark Winterton	City Engineer
Alex Vucinic	Purchasing Manager
Joe Mancina	City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
The Auto Source Inc.	(886) 780-8751	TerryTrucksLLC@gmail.com

Appendices:



Council Report: C 63/2021

Subject: Purchase of Two (2), 2023 Diesel Powered Aerial Trucks for the Parks Department, Forestry Division, to be utilized City Wide

Reference:

Date to Council: June 7, 2021
Author: Chad Goebel
Fleet Coordinator
519-255-6560 x4235
cgoebel@citywindsor.ca

Public Works - Operations
Report Date: May 11, 2021
Clerk's File #: SR2021

To: Mayor and Members of City Council

Recommendation:

THAT City Council **APPROVE** the purchase of two (2) 2023 Diesel Powered, Aerial Trucks; and,

THAT the Purchasing Manager **BE AUTHORIZED** to issue a purchase order to Altec Industries Ltd. in the amount of \$635,600.00 (excluding HST) for the purchase of the two (2) 2023 Diesel Powered, Aerial Trucks identified in the request as a result of the RFP process, subject to approval as to technical content by the City Engineer and in financial content to the Chief Financial Officer and City Treasurer.

Executive Summary:

N/A

Background:

This purchase is to replace the two (2) existing Aerial trucks currently in service in the Forestry Division that are nearing the end of their useful life. In addition the department requested that the existing units be upgraded with elevator units for increased versatility and functionality as well as enhanced safety during operation while working in and around power lines or in emergency situations.

Discussion:

To select the replacements, an RFP was issued by the Purchasing Department on March 26, 2021 and closed on April 12, 2021. This process resulted in a Sole

Submission from Altec Industries Ltd. that was evaluated in accordance with the purchasing By-Law criteria to determine and confirm vendor compliance.

Risk Analysis:

The existing vehicles identified are at the end of their useful life. Any delay in replacement may result in costly repairs to the old units and the Forestry Division risks being unable to provide the expected level of service due to service delays.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

The two (2) replacement units were approved by the Fleet Review Committee in consideration of forecasted 2020 fleet replacements, Fleet Project OPS-005-08, and by City Council during the 2020 capital budget process, CR B57/2020. In addition to the 2020 approved replacements, additional funds were approved for upgrades in Fleet Project OPS-022-07 by City Council during the 2021 capital budget process, CR B6/2021.

The total cost of the two (2) replacement units is not to exceed \$635,600.00 excluding HST, or \$646,786.56 including non-refundable HST.

There is adequate approved funding available for the purchase of the two (2) units; \$543,886.85 in the 2020 Corporate Fleet Replacement Project 7201008; \$90,000 in the 2021 Additions and Upgrades Project 7211034; and \$12,899.71 in the 2021 approved Parks operating budget (Dept ID 0280301).

COST SUMMARY:

Two (2) 2023 Forestry Aerial Trucks	\$635,600.00
Add: non-refundable HST	\$ 11,186.56
Total Cost of Trucks	\$646,786.56

FUNDING SUMMARY:

2020 Fleet Replacement Project OPS-005-08	\$543,886.85
<i>Funding Approved - CR B57/2020</i>	

2021 Fleet Additions Project OPS-022-07

\$ 90,000.00

Funding Approved - CR B6/2021

Parks approved 2021 Operating Budget, Dept ID 0280301

\$ 12,899.71

Funding Approved - CR B5/2021

Total Approved Funding - All Sources

\$646,786.56

The replacement cost of these units will be charged to the 2020 Corporate Fleet Replacement Project 7201008. Additional funding approved as outlined in the above table will be transferred to the 2020 Corporate Fleet Replacement Project 7201008 to facilitate centralization of cost tracking and administration of this purchase.

There are sufficient unencumbered funds available in all identified approved funding sources.

Consultations:

Cindy Becker – Financial Planning Administrator – Public Works Operations

Conclusion:

Administration recommends the purchase of these two (2) 2023 Diesel Powered, Aerial Trucks for the Forestry Division of the Parks & Recreation Department.

Planning Act Matters:

N/A

Approvals:

Name	Title
Cindy Becker	Financial Planning Administrator – Public Works Operations
Angela Marazita	Fleet Manager
Dwayne Dawson	Executive Director of Operations
Mark Winterton	City Engineer
Alex Vucinic	Purchasing Manager
Joe Mancina	City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Altec Industries Ltd Edward Barrett	(416) 452-1490	edward.barrett@altec.com

Appendices:



Council Report: C 65/2021

Subject: Appointment of Drainage Engineer - Sprucewood Avenue Drain - Ward 1

Reference:

Date to Council: June 7, 2021
Author: Andrew Dowie
Engineer III
adowie@citywindsor.ca
(519) 255-6257 ext. 6490
Design and Development
Report Date: May 12, 2021
Clerk's File #: AS2021

To: Mayor and Members of City Council

Recommendation:

THAT Meritech Engineering **BE APPOINTED** as Engineer of Record to prepare a Drainage Report under Section 78 of the Drainage Act for improvements to the Sprucewood Avenue Drain.

Executive Summary:

N/A

Background:

The Sprucewood Avenue Drain largely services the ditches and storm sewers of the Sprucewood Avenue industrial park while accepting some stormwater flows from Ojibway Parkway and the former Windsor Raceway lands. It is an open drain for the duration of its length and ultimately outlets to the Detroit River.

The property owner of 200 Sprucewood Avenue, American Iron and Metal Company Inc. (AIM), has submitted a Section 78 Request for Drainage Improvement to relocate the existing driveway culvert at the property fronting on Sprucewood Avenue.

AIM requests that Meritech Engineering, as represented by Brian Enter, P.Eng., be designated as Engineer of Record to ensure that the authoring of an Engineer's Report and subsequent work be carried out in accordance with the Drainage Act. AIM has provided a letter confirming that they will accept all costs in the authoring and implementing of the report.

The Engineer's Report authored under the provisions of the Drainage Act would confirm drainage improvements necessary to be implemented in order to maintain the appropriate level of service and to assess maintenance obligations to benefitting

property owners. Designation of an Engineer of Record grants to them certain rights, including the entry onto private property, to gather information for the report.

Discussion:

Meritech Engineering is the engineering consultant for AIM's land development project at 200 Sprucewood Avenue. The site plan calls for relocation of a driveway access across the Sprucewood Avenue Drain. The practical impact of this culvert relocation is expected to be neutral. However, as it is a change to a regulated municipal drain, the Drainage Act and procedures therein must apply.

The Ministry of Agriculture, Food and Rural Affairs (OMAFRA) is currently finalizing a Minister's Regulation to implement recent amendments made to the Drainage Act under the COVID-19 Economic Recovery Act, 2020 (formerly Bill 197), which received Royal Assent on July 21, 2020.

The future amendments would:

- Provide a simplified process for minor improvements to municipal drains;
- Simplify the process for approving updates to engineer's reports for changes to the design made during construction; and
- Adopt the Drainage Act and Conservation Authorities Act Protocol (DART Protocol) by reference.

Under the future regulation, it is expected that this nature of work would be considered as a "minor improvement". As the regulation is not yet in force and the owner wishes to proceed as quickly as possible, the framework of the Drainage Act as currently in force continues to apply.

The proposed appointment of Meritech Engineering as the Engineer of Record by Council Resolution will satisfy the requirements of Section 8 of the Drainage Act and is not objected to by Administration.

Council Resolutions CR388/2007 and CR64/2015 confirm that the municipality would continue to absorb all drain maintenance costs through the general tax levy, except for private access structures as authorized by the Province of Ontario through the City of Windsor Act, 1968. As the only improvement to be recommended is expected to be the new private structure proposed for this location, the necessary work would not have to be funded through the general levy.

Risk Analysis:

There is moderate risk associated with this recommendation to the City.

In order to protect and consider the broader municipal interest, the Engineer of Record is typically selected by City Council on an independent basis, separate and distinct from the proponent. The risk in this case is expected to be low and where required can be

mitigated by ensuring that the municipality reserves the right to carry out a third party review of the work.

Denial of the request would create significant risk to the property owner. The appointment of an Engineer of Record is necessary to complete development of the property.

Climate Change Risks

Climate Change Mitigation:

The recommendations do not materially advance mitigation from the impacts of climate change.

Climate Change Adaptation:

The recommendations do not materially advance adaptation from the impacts of climate change.

Financial Matters:

The property owner will pay all costs inherent with the authoring of the Drainage Report and the construction of the associated works.

Consultations:

Ashley Gyori, Essex Region Conservation Authority

Conclusion:

Administration recommends that City Council appoint Meritech Engineering to make an examination of and prepare a Drainage Report for repair and improvements to the Sprucewood Avenue Drain in accordance with Section 78 of the Drainage Act, with all costs payable by the property owner, American Iron and Metal Company Inc..

Planning Act Matters:

N/A

Approvals:

Name	Title
Fahd Mikhael	Manager of Design and Development
France Isabelle-Tunks	Senior Manager of Engineering / Deputy City Engineer
Mark Winterton	City Engineer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Ashley Gyori		agyori@erca.org
Meritech Engineering, c/o Brian Enter, P.Eng.	1315 Bishop St N, Cambridge, ON N1R 6Z2	briane@meritech.ca

Appendices:

- 1 Request for Drain Improvement Letter, Meritech Engineering
- 2 Notice of Request for Drain Improvement, American Iron and Metal Company Inc.



May 6, 2021

City of Windsor
P.O. Box 1607
Windsor, ON
N9A 6S1

Attention: Andrew Dowie, P.Eng.
Drainage Engineer

By email only: adowie@citywindsor.ca

Dear Mr. Dowie,

**Re: Notice of Request for Drain Improvement
Sprucewood Municipal Drain
City of Windsor**

Meritech Engineering has been retained by Kenny-U-Pull, A division of American Iron & Metal Company Inc. (AIM) to assist with obtaining approvals for the relocation of an existing culvert on Maplewood Drive in conjunction with their Site Plan Approved development (SPC-018-20) at 200 Sprucewood Ave, Windsor.

The approved site plan includes the relocation of an existing entrance which crosses the Sprucewood Drain with an existing 1500mm diameter culvert. The proposed change will see the entrance and culvert relocated approximately 100m north, upstream along the drain. The proposed works are essential a "like for like" relocation.

To facilitate this request, please receive the following components:

1. **Notice of Request for Drain Improvement** per Drainage Act, RSO Section 78
2. **Costs** – AIM is offering to cover all costs related to these works including the design and construction. There is no need to assess or allocate costs to the City or any other benefiting landowners associated with the drain.
3. **Drainage Engineer** –AIM is requesting that under Section 78 of the Drainage Act, the City of Windsor appoint Brian Enter from Meritech Engineering as the Drainage Engineer to complete this work.

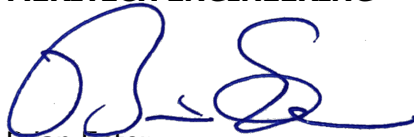
Mr. Enter submits the following points for consideration to be qualified to undertake this work:

- 21 years of land development project design experience for residential, commercial, industrial, institutional, and municipal clients.
- Completed or directly oversaw stormwater management (SWM) modelling, detailed design, and report preparation on approximately 70 development projects for many land uses.
- Please see attached CV for SWM projects experience.
- Meritech has qualified and experienced resources to undertake the following components:
 - o Site Meeting;
 - o Engineering Review to assess impacts of proposed culvert changes;
 - o Detailed Design to prepare required engineering drawings, construction specifications in accordance with applicable standards;
 - o Prepare an associated Drainage Report;
 - o Tendering of works;
 - o Supervision of Construction and Certification

We trust the information provided is adequate to initiate this process. Should there be any questions or additional information be required, please do not hesitate to contact the undersigned.

Yours very truly,

MERITECH ENGINEERING



Brian Enter
Senior Engineer

BRE/
Enclosures (2) Notice of Request for Drain Improvement
Mr. Enter SWM CV

cc Mr. Apreem Karyakus, CET, AIM by email only: akuryakus@aim-recycling.com

Notice of Request for Drain Improvement

Drainage Act, R.S.O. 1990, c. D.17, subs. 78(1)

To: The Council of the Corporation of the **City** of **Windsor**

Re: _____
(Name of Drain)

In accordance with section 78(1) of the *Drainage Act*, take notice that I/we, as owner(s) of land affected, request that the above mentioned drain be improved.

The work being requested is (check all appropriate boxes):

- ☐ Changing the course of the drainage works;
- ☐ Making a new outlet for the whole or any part of the drainage works;
- ☐ Constructing a tile drain under the bed of the whole or any part of the drainage works;
- ☒ Constructing, reconstructing or extending bridges or culverts;
- ☐ Constructing, reconstructing or extending embankments, walls, dykes, dams, reservoirs, pumping stations or other protective works in connection with the drainage works;
- ☐ Otherwise improving, extending to an outlet or altering the drainage works;
- ☐ Covering all or part of the drainage works; and/or
- ☐ Consolidating two or more drainage works.

Provide a more specific description of the proposed drain improvement you are requesting:

200 Sprucewood Ave directly abuts the Sprucewood Drain along it's entire Maplewood Ave frontage. To suit a development project, the land owner needs to relocated an existing entrance and associated culvert approximately 100m north, upstream along the drain.

Property Owners:

- Your municipal property tax bill will provide the property description and parcel roll number.
- In rural areas, the property description should be in the form of (part) lot and concession and civic address.
- In urban areas, the property description should be in the form of street address and lot and plan number, if available.

Property Description

200 Sprucewood Ave

Ward or Geographic Township

City of Windsor

Parcel Roll Number

080-250-01620-0000

If property is owned in partnership, all partners must be listed. If property is owned by a corporation, list the corporation's name and the name and corporate position of the authorized officer. Only the owner(s) of the property may request a drain improvement.

Corporation

Enter the mailing address and primary contact information of property owner below:

Last Name Kuryakus		First Name Apreem	Middle Initial
Mailing Address			
Unit Number 	Street/Road Number 75	Street/Road Name Steel City Court	PO Box
City/Town Hamilton		Province ON	Postal Code L8H 3Y2
Telephone Number 905 547-5533	Cell Phone Number (Optional) 905 870-1925	Email Address (Optional) akuryakus@aim-recycling.com	

To be completed by recipient municipality:

Notice filed this 7 day of May 20 21

Name of Clerk (Last Name, First Name) Dowie, Andrew	Signature of Clerk
--	------------------------

[Print Form](#)

[Clear Form](#)





Council Report: C 72/2021

Subject: Regional Community Safety and Well-Being Plan Interim Report - City Wide

Reference:

Date to Council: June 7, 2021
Author: Leonardo Gil
Project Manager
519-255-5200 ext. 5432
lgil@citywindsor.ca
Administration
Report Date: 5/19/2021
Clerk's File #: SS/14026

To: Mayor and Members of City Council

Recommendation:

THAT the report of the Community Safety and Well-Being Project Manager regarding the interim Community Safety and Well-Being Plan **BE RECEIVED** for information, and further;

THAT Administration **BE DIRECTED** to submit the interim Community Safety and Well-Being Plan to the Ministry of the Solicitor General by July 1, 2021 and the completed Community Safety and Well-Being Plan by December 31, 2021.

Executive Summary:

N/A

Background:

In November 2020, City and County Councils received a project update, which included revised timelines and methodologies due to the pandemic. Key actions taken since the June 2020 update were highlighted including the completion of a current state data report and interactive asset map for the entire region. Also noted were ongoing discussions with AMO and OMSSA representatives, which included a Province-wide CSWB working group to assess the status of other municipalities, as well as the provincial deadline. These discussions led to a presumed deadline of December 31, 2021, as no one at the OMSSA discussion table had any indication of a firm deadline being considered by the Province.

On December 24, 2020, the Ministry of the Solicitor General issued correspondence to Ontario municipalities indicating that the new CSWB Plan submission deadline is July 1, 2021.

On February 1, 2021, through CR S3/2021 City Council directed Administration to forward a letter to the Solicitor General advising that whereas the new CSWB submission deadline of July 1, 2021, significantly constrains the ability to engage in fulsome and meaningful community consultation, the City of Windsor will prepare an interim report for submission by July 1, 2021, along with a final report by December 31, 2021, and that a request is made to the Solicitor General to review the imposed deadline further. On February 3, 2021, County Council received CR S3/2021 and likewise adopted a similar resolution.

In accordance with City and County Council direction, the following interim report provides a process update for the Windsor Essex Regional Community Safety and Well-Being plan.

Discussion:

In accordance with the February 1, 2021 Council Decision (CRS3/2021), the following interim report has been prepared and is enclosed. The report provides background on Council Directives since the start of the project, details project teams, highlights key project accomplishments and describes next steps.

Risk Analysis:

While the Ministry of the Solicitor General has directed that CSWB Plans be completed by July 1, 2021, no risk to missing this deadline has been identified.

There is a risk that if planning be accelerated to meet this deadline, opportunities for fulsome engagement with residents and elected officials, and thorough analysis of this information, will be lost.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

City Council approved costs for the development of the Community Safety and Well-Being Plan and Project Manager to be charged to the Budget Stabilization Reserve to an upset limit of \$200,000. (CR340/2019)

Further to City Council's approval to undertake a regional planning process, (CR543/2019) County Council has matched the City's \$200,000 contribution to cover the additional expenses, inclusive of the consultant, necessary to ensure the Plan addresses the City and all County municipalities. To date, the Province has not provided funding to this project.

No additional funding is required with a target deadline of December 31, 2021. Upon completion of the CSWB plan, and pending further direction from the Province, the City and County will jointly determine next steps and future funding requirements. Should a need for on-going funding be identified, a request for annualized funding will be brought forward to City and County Councils during the appropriate budget development process.

Consultations:

Frank Providenti – Deputy Chief of Police, Windsor Police Services

Mary Birch – Director of Council and Community Services/ Clerk, County of Essex

Conclusion:

On December 24, 2020, the Ministry of the Solicitor General communicated a new CSWB submission deadline of July 1, 2021. In response to the new submission deadline, on February 1, 2021, Council directed administration to prepare an interim report for submission by July 1, 2021 along with a completed and final report by December 31, 2021. In accordance with Council direction, an interim report that provides a process update on the current status of the Windsor Essex Community Safety and Well Being Plan project is attached. Upon receipt, the report will be submitted to the Ministry of the Solicitor General.

Planning Act Matters:

n/a

Approvals:

Name	Title
Leonardo Gil	Project Manager – Windsor and Essex County Community Safety and Well-Being Plan
Stephen Lynn	Manager of Social Policy and Planning (A)
Jelena Payne	Commissioner of Community Development and Health Services/Corporate Leader – Social Development and Health
Janice Guthrie	On behalf of Chief Financial Officer/City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Chief Pam Mizuno – Windsor Police Services		
Frank Providenti – Deputy Chief of Police, Windsor Police Services		
Mike Galloway – Chief Administrative Officer, County of Essex		mgalloway@countyofessex.ca
Mary Birch – Director of Council and Community Services/ Clerk, County of Essex		mbirch@countyofessex.ca

Appendices:

- 1 Appendix A Windsor Essex Regional CSWB Interim report



WINDSOR ESSEX REGIONAL
**COMMUNITY SAFETY
& WELL-BEING PLAN**

Interim Process Report

May 2021

Background

In 2019, the Provincial government amended the Police Services Act to mandate every municipality to prepare and adopt a Community Safety and Well-Being Plan. At their meeting of July 8, 2019, City Council considered this initiative and directed that the Commissioner of Community Development and Health Services undertake a Community Safety and Well Being Plan.

After discussions amongst the regional Chief Administrative Officers proposing a regional CSWB Plan, Report S198/2019 was brought to City Council requesting authorization to engage the County of Essex and its municipalities to develop a Regional Community Safety and Well-Being Plan (RCSWB).

Administration was directed to develop a regional Community Safety and Well-Being Plan and bring such plan forward to Windsor City Council and Essex County Council in sufficient time to be considered for approval prior to the Provincial government's deadline of January 1, 2021. The Province established this deadline prior to the COVID-19 pandemic. Due to the pandemic, the project was paused on March 18, 2020, with core team members redeployed to manage COVID-related emergencies within their respective organizations.

During this pause, the Province passed the Coronavirus (COVID-19) Support and Protection Act, 2020, which granted an extension to the CSWB deadline past January 1, 2021, to an undetermined date. At the meeting of City Council on May 4, 2020, correspondence from the Office of the Solicitor General was received informing Council of the change in deadline, and that it would be working with the Association of Municipalities of Ontario (AMO) and the City of Toronto to determine a new submission date. The correspondence was noted and filed.

The CSWB project officially resumed on June 1, 2020. A project update was provided to City and County Councils describing key actions taken during the project pause, including the completion and submission of letters to AMO and Ontario Municipal Social Services Association (OMSSA) advocating for an amended deadline of January 1, 2022. Elected officials from a number of municipalities across Ontario were also advocating for the January 2022 deadline.

In November 2020, City and County Councils received a further project update, which included revised timelines and methodologies due to the pandemic. Key actions taken since the June 2020 update were highlighted including the completion of a current state data report and interactive asset map for the entire region. The Project Manager also noted ongoing discussions with AMO and OMSSA representatives, and participation in a Province-wide CSWB working group to assess the status of other municipalities, as well as the provincial deadline. Participants from across the Province presumed a deadline of December 31, 2021, as no one at the OMSSA discussion table had any indication of an alternate deadline being considered by the Province.

On December 24, 2020, the Ministry of the Solicitor General issued correspondence to Ontario municipalities indicating that the new CSWB Plan submission deadline is July 1, 2021.

On February 1, 2021, City Council directed Administration to forward a letter to the Solicitor General advising that whereas the new CSWB submission deadline of July 1, 2021, significantly constrains the ability to engage in fulsome and meaningful community consultation, the City of Windsor will prepare an interim report for submission by July 1, 2021, along with a final report by December 31, 2021. City Council further requested that the Solicitor General review the imposed deadline. Essex County Council likewise adopted a similar resolution.

In accordance with the direction given by Windsor City Council and Essex County Council, the following interim report provides a process update for the Windsor Essex Regional Community Safety and Well-Being plan.

Community Safety and Well Being (CSWB) Plan Summary

CSWB planning is an integrated approach to service delivery planning by working with representatives from a range of sectors, agencies and organizations to proactively develop evidence-based strategies to address local priorities related to crime and complex social issues.

The CSWB Planning Framework (Framework) is strengths-based and focused on leveraging existing strategies and developing new approaches that promote and maintain community safety and well-being. The Framework emphasizes the use of evidence-based prevention and risk mitigation strategies to proactively reduce identified risks and instances that require an incident response.

The Windsor Essex Approach

The City of Windsor is a single tier municipality, while the County of Essex represents seven local municipalities. The City and County share in delivering a multitude of services, and many CSWB partners also serve both city and county residents.

The Windsor Essex Regional Community Safety and Well-Being Plan utilizes a joint City-County approach. Through this approach, the Plan will endeavour to establish regional priorities and mechanisms for collaboration while including appendices specific to each municipality. The appendices will contain community profiles, identified local priority risks and protective factors, and analyses of data collected from community consultations.

Ultimately, the goal of WE RCSWB planning is to achieve a community where everyone feels safe, has a sense of belonging, access to services and opportunities, and has their needs met across Windsor and Essex County. To accomplish this goal, the project team has engaged committees and organizations that work alongside diverse and historically underrepresented communities as well as a wide range of multi-sectoral partners from across the region that includes senior municipal staff, local police services, healthcare and mental healthcare providers, education leaders, community/social services providers, and children and youth services providers.

To support plan development, a series of environmental scans were completed to review local assets and initiatives, as well as available data on CSWB risk and protective factors. With the support of project partners, these scans resulted in the creation of an interactive asset map consisting of over 1,200 data points and the creation and contextualization of a comprehensive current state data report. The Data Report reviewed publicly available data from across seven risk and protective factor categories, including Crime and Victimization, Education, Financial Security, Mental Health and Substance Use, Physical Health, Housing and Neighbourhoods, and Vulnerable Populations. The report also included early COVID-19 data. Overall, the report reviewed 62 indicators from quantitative and qualitative measures.

RCSWB Planning Process and Project Teams

The project team structure for the Windsor Essex Regional Community Safety and Well-Being Plan consists of:

- (a) The Regional Systems Leadership Table,
- (b) The Enhanced Sector Network,
- (c) An Internal Core Team (Team),
- (d) Consultants for the County portion of the plan, and;
- (e) A Data Team.

In alignment with the Provincial CSWB planning framework, the Regional CSWB Systems Leadership Table (RSLT) involves partners from multiple sectors, including: health and mental health, education, community and social services, community and social services for youth, custodial services for youth, municipalities, police and public safety, and business. The RSLT is chaired by the City of Windsor's Community Development and Health Services Commissioner, the Chief Administrative Officer for the County of Essex, and the Chief of Windsor Police Services. Currently, the RSLT consists of 27 partners, including two County CAO representative positions. For a list of member agencies, please see **Appendix A**.

As a consultative body, the RSLT plays several key roles. The RSLT provides strategic input on the Plan's direction and framework, supports the identification and prioritization of localized risk factors, assists the Team in accessing sector information and data, and facilitates connections with sector partners.

In order to leverage existing strategies and better inform the CSWB governance on community risks and protective factors, the Enhanced Sector Network (ESN) was created. The ESN engages committees and organizations that work alongside individuals from eight historically underrepresented communities. Those communities include: Indigenous Peoples, Racialized Persons, Youth, Newcomers, Seniors, 2SLGBTQ+ communities, Accessibility communities and broader community groups. The goal of the ESN is to ensure diverse voices and priorities are woven throughout the planning process. For a list of ESN member committees and organizations, please see **Appendix B**.

Supporting the RSLT and ESN is the Team consisting of the Project Manager, senior management from the City of Windsor's Community Development and Health Services Department, County of Essex and Windsor Police Services. The Team plans and facilitates meetings, community engagement sessions, and sector network consultations. The Team is responsible for implementing RSLT action items, managing project timelines, and updating City and County municipalities. To ensure all municipalities are kept informed of the CSWB process, the Team has made itself available as a standing item for the Regional CAO Table and, prior to the pandemic, began plans to present to all municipal councils.

To ensure fulsome community consultation in county municipalities and provide support on region-wide data analytics, a Request for Proposal (RFP) was released to seek a consultant to assist with the plan. As a result of the RFP process, consulting firm *StrategyCorp* was chosen as the successful applicant and awarded the contract. StrategyCorp has been working collaboratively with the Project Manager and project teams to create a consultation methodology jointly, facilitate public consultation sessions and focus groups, analyze consultation data and provide evaluation support.

Ultimately, the CSWB project entails the review of data from across multiple sectors and disciplines. To ensure the context and implications of the sector and organizational data is interpreted correctly, data analysts and stewards from RSLT member organizations have been brought together to create a Data Team. The Data Team's primary role is to advise on how to best access and understand sector data. The Data Team will also assist the Project Manager and Consultant in navigating available publicly facing data sources or organizational data in the most efficient way.

Public Consultation and Engagement Strategy

Due to pandemic restrictions, the Team redesigned the traditional in-person engagement strategy into a comprehensive virtual engagement strategy. The strategy includes five pillars to ensure that a) all municipal councils in the region are familiar with the planning process and can provide their input, b) that residents have an opportunity to provide input through multiple channels, and c) that groups from historically underrepresented communities are heard throughout the planning process. The five pillars include:

1. **Municipal Council Presentations** | October 7, 2020 – December 8, 2020
2. **Enhanced Sector Network Engagement** | January 11, 2021 – February 10, 2021
3. **Online and Print Public Surveys** | February 10, 2021 – March 15, 2021
4. **Virtual Public Meetings** | February 23, 2021 – March 11, 2021
5. **Virtual Meetings with the Chief Administrative Officers (CAOs) and Elected Officials of participating municipalities** | Planned for June 2021

The strategy utilized Zoom web conferencing to hold engagement sessions with municipal and community partners as well as the general public.

Municipal and Sector Engagement

Municipal Council Presentations: Between the months of October and December 2020, presentations were made to municipal and County councils across the region. The presentations provided elected officials from each municipality with a summary of the project's background, methodology and current status. Additionally, a question and answer period was afforded to all municipal councils. A total of ten presentations were completed, including each lower tier County municipality, Essex County Council, City of Windsor's Community Services and Parks Standing Committee and City Council.

Sector Engagement: The project team has strived to provide sector leadership, frontline workers and special population experts with opportunities to provide input in the planning process as well as plan priorities. In this spirit, sector engagement started with fruitful pilot community conversations that ultimately led to the development of the current Enhanced Sector Network.

- **Pilot Community Conversations:** In December 2019 and January 2020, six pilot community conversations were held that engaged over 100 people. The pilot conversations formed the basis of the ESN and supported the development of the CSWB project goals. The following

committees and organizations were engaged for the pilot: the Windsor Essex Local Immigration Partnership (WE LIP); We Care for Youth Committee (WCY); the Seniors Advisory Committee (SAC); Downtown Windsor Safety and Security Roundtable. (DWSSRT); the Ford City Safety Committee (FCSC); and the Enforcement and Justice Pillar of the Windsor Essex Community Opioid and Substance Strategy (WECOSS – E&J).

- **Enhanced Sector Network:** Over the months of January and February 2021, 18 committees and over 50 community organizations were engaged to contextualize local community safety and well-being data. In total, 96 frontline and special population experts, all of whom work alongside historically underrepresented communities, participated in the first of two meetings. Currently, ESN members are being engaged in prioritization and recommendation setting activities.

Public Consultations

To ensure public consultations were a success, communications departments from the County of Essex, Windsor Police Service, LaSalle Police Service and each local Municipality were brought together and developed a regional communications plan to promote local virtual public meetings and the survey. The plan included the promotion through traditional media (Windsor Star, CTV News, AM800 etc.), social media (Facebook, Twitter, podcasts etc.), and local newspapers (Essex Free Press, Harrow News, River Town Times, Essex Local etc.).

Online and Print Surveys: In an attempt to remove language-related barriers to participation, the survey was accessible in English, French, Spanish and Arabic. The survey had a 33-day window and was available between February 10 and March 15, 2021.

To address additional barriers to participation, 200 printed surveys were provided to the *Windsor Essex Community Housing Corporation*, the *Community Partnership* and the *Homelessness and Housing Help Hub (H4)*. In total, the survey garnered over 1,500 respondents and **840 fully completed surveys**. For a breakdown of survey distribution by Municipality, please refer to Table 1.

Table 1. Survey Distribution by Municipality

Municipality	Total
City of Windsor	361
Municipality of Lakeshore	82
Municipality of Leamington	64
Town of Amherstburg	74
Town of Essex	50
Town of Kingsville	43
Town of LaSalle	112
Town of Tecumseh	54
Grand Total	840

Virtual Public Meetings: Nine virtual public meetings, one for each municipality in the region and two for the City of Windsor, were held in February and March 2021. As part of the consultation process, these meetings provided residents with an opportunity to share their community safety and well-being priorities and concerns. The meetings were intentionally held using Zoom in the evenings and on weekends to encourage greater participation outside of traditional business hours. Information was shared about the project, data about the municipality was presented, and smaller breakout focus groups took place to encourage more meaningful discussion. To address potential barriers to participation, each virtual public meeting included live closed captioning for people who are deaf or hard of hearing, as well as translated captioning in French, Spanish and Arabic. Additionally, a tele-conference session was held for seniors from across Windsor-Essex through the *Seniors Centre Without Walls* initiative, a Life After Fifty program. **In total, 199 residents registered to participate across all aforementioned meetings, with over 140 attending.** For a breakdown, of resident participation in the virtual public engagements, please refer to Table 2.

Table 2. Virtual Public Consultation Attendance by Municipality

Virtual Public Consultations	Registered	Attendees	Participation Rate
City of Windsor Consultation 1	41	28	68.29%
City of Windsor Consultation 2	27	15	55.56%
Municipality of Lakeshore	24	16	66.67%
Municipality of Leamington	16	10	62.50%
Town of Amherstburg	16	15	93.75%
Town of Essex	18	14	77.78%
Town of Kingsville	19	16	84.21%
Town of LaSalle	17	11	64.71%
Town of Tecumseh	17	14	82.35%
Senior Citizens Without Walls – Region Wide Teleconference	--	4	--
Grand Totals	199	143	71.28%

Status and Next Steps

The project is currently within its **Analysis and Prioritization phase** having completed public engagement activities in four of the five aforementioned pillars. The following activities are currently being undertaken.

- Finalization of public consultation data analysis;
- Enhanced Sector Network and Regional CSWB Systems Leadership Table prioritization activities;
- Virtual Meetings with the CAOs and elected officials of participating municipalities;
- Performance and outcome measurement planning; and
- Development of final report

While recognizing that the deadline to complete Community Safety and Well-Being Plans was established as July 1, 2021, the Windsor City Council and Essex County Council directed the project team to continue with the extensive engagement plan to ensure a fulsome report. This interim report is provided to the Solicitor General to advise on progress to date. Upon completion of the final report, the report will be submitted to Municipal and County Councils for adoption. The Windsor and Essex County Regional Community Safety and Well-Being Plan will be submitted to the Ministry of the Solicitor General by December 31, 2021.

APPENDIX A: Regional CSWB Systems Leadership Table

Co-Chairs

- Jelena Payne, Commissioner of Community Development and Health Services, City of Windsor
- Chief Pamela Mizuno, Chief of Police, Windsor Police Services
- Mary Birch, Director of Council and Community Services, County of Essex

Membership (By Sector)

Local Government

- City of Windsor
- County of Essex
- Municipal CAO Representation

Chief of Police/ Detachment Commanders/ Law Enforcement

- LaSalle Police
- Ontario Provincial Police
- Windsor Police Service

Public Safety

- County Fire Chiefs Representative
- Essex Windsor EMS
- Southwest Detention Centre
- Windsor Fire and Rescue Services

Health and Mental Health

- Canadian Mental Health Association Windsor-Essex County
- Erie Shores Healthcare
- Erie St. Clair Local Health Integration Network
- Hôtel-Dieu Grace Health Care
- Windsor Essex Community Health Centre
- Windsor Essex County Health Unit

Education

- Csc Providence
- Greater Essex County District School Board
- St. Clair College
- University of Windsor
- Windsor Essex Catholic District School Board

Custodial Services for Children and Youth

- Windsor Essex Children's Aid Society
- Youth Justice Division

Community and Social Services

- Can-Am Indian Friendship Centre
- Family Services Windsor Essex
- South Essex Community Council

Business

- Windsor Essex Regional Chamber of Commerce
- Workforce Windsor Essex

APPENDIX B: Enhanced Sector Network Group Membership

ESN Group	Membership
Newcomers	Windsor Essex Local Immigration Partnership (Includes 13 organizations including MCC, NCCE, Matthew House, WEST, W5, etc.)
Youth	Centre Communautaire Francophone Windsor Essex Kent
	Mayor's Youth Leadership Team (MYLT) <i>Includes all Youth Representation</i>
	Pathway to Potential
	ProsperUs
	We Care for Youth Committee (Includes Safety Village/ Neighbourhood Watch, LAW- WEFIGHT, HDGH RCC)
	Windsor Essex County Children and Youth Planning Committee (Includes Drouillard Place, Housing and Children's Services, Children's First)
Accessibility Communities	Assisted Living Southwestern Ontario (ALSO)
	Beyond Disability Network
	Community Living Essex County
	Community Living Windsor (Includes family and individual representation)
	Essex County Accessibility Advisory Committee
	Windsor Accessibility Advisory Committee

ESN Group	Membership
Broader Community Groups	Windsor Essex Community Opioid and Substance Strategy
	Downtown Windsor Safety and Security Roundtable
	Interfaith Communities
	Housing and Homelessness Advisory Committee
	Windsor BIA Advisory Committee
Indigenous Communities (Currently seeking additional representation)	Can Am Urban Homes
	Caldwell Nation
	Elder Representation
	Regional Indigenous Health Planning Committee
	Walpole Island
Racialized Persons	Black Council of Windsor-Essex
	Diversity and Inclusion Task Force
	Diversity Committee
	South Asian Centre of Windsor
	Windsor Black Lives Matter Roundtable Panel
2SLGBTQ+	Positive Pathways
	Trans Wellness Ontario
	Windsor Pride Fest
	Windsor Pride Community
Seniors	Alzheimer's Society
	Club D'age D'or (Golden Age Club)
	Life After Fifty
	Seniors Advisory Committee
	Windsor Compassionate Care Community



Council Report: CM 14/2021

Subject: Educational Assistance Reserve Account - Expenditures for 2020 - City Wide

Reference:

Date to Council: June 7, 2021

Author: Vincenza Mihalo, Executive Director of Human Resources

519-255-6515, ext. 6259; vmihalo@citywindsor.ca

Renee Ruccolo, Organizational Development Specialist

519-255-6515, ext. 6207; ruccolo@citywindsor.ca

Human Resources

Report Date: April 30, 2021

Clerk's File #: AS2021

To: Mayor and Members of City Council

Recommendation:

That the Report from the Human Resources Department providing Council with an update of the expenses flowed through the Educational Assistance Reserve Account for 2020 **BE RECEIVED** for information; and,

That future information on Corporate training, including Educational Assistance, **WILL BE PROVIDED** during budget deliberations each year.

Executive Summary:

N/A

Background:

Under Council Resolution 331/2007, City Administration was authorized to set up an Educational Assistance Reserve Account, thereby reallocating existing budget amounts from each departmental account for Education Allowances (i.e., account #8220) into one consolidated operating budget line item to be administered by the Human Resources Department. This includes all corporate departments, but not boards and agencies such as Police Services and Roseland Golf & Curling Club. Eligible educational allowance reimbursement expenses are charged to the Human Resources Operating Budget with any annual surplus or deficits flowing through the reserve account and subject to reports to City Council detailing transfers flowing through the account. It should be noted that for the purposes of this report, Transit Windsor and the

Windsor Public Library (WPL) are included as these entities became part of our Community Training Program in late 2014 (WPL) and 2015 (Transit). Hence, the purpose of this communication is to provide Council a report summarizing the expenses within the Educational Assistance Reserve Account for 2020.

Discussion:

On March 23, 2015, City Council approved the revised Learning & Organizational Development Opportunities Policy, inclusive of the Educational Assistance Program. For the purposes of the program, Educational Assistance is defined as reimbursement of the cost of tuition and mandatory (or ancillary) fees. Essentially, eligibility under the Program requires that the course(s) of study has a direct benefit to the City in the employee's current permanent position for full reimbursement, or has a **potential** direct **future** benefit to the City for 50 percent reimbursement, subject to successful completion of the course(s) of study. The purpose of the Program is to promote:

- a) the enhancement of knowledge, skills, and abilities required to maximize performance;
- b) the acquisition of new competencies for changing job requirements or advancement;
- c) the development of career options to support the changing needs of both the Corporation and its employees; and
- d) succession planning by providing employees an opportunity to attain credentials needed for the delivery of quality services.

It is also noted that employees applying to this program do so on a course by course basis. No commitment is made to entirely fund degree or diploma programs, as continued funding is subject to annual budget constraints.

The reason for consolidating Educational Allowance into one account is to ensure a fair and equitable distribution of budgeted resources to all City departments, and facilitate equal access to the funds by employees.

Moving forward, the current annual reporting to council in this format will be replaced with information on corporate training, including Educational Assistance, during budget deliberations each year.

This is being suggested in order for the Human Resources department to review the existing learning and development policy including all activities that are supported by Corporate Training with a lens of providing a more comprehensive framework designed to support the Community Strategic Plan.

Within the framework, the Learning and Development (L&D) Strategy will set out the key learning and development objectives and actions to include:

- A linkage to the Community Strategic Plan to ensure the Corporation maintains a highly skilled workforce
- Prioritize organizational and departmental needs
- Develop strategies for addressing L&D needs

- Draft the L&D strategy
- Align L&D activities with the Corporation's strategy
- Evaluate the effectiveness of L&D
- Allocate appropriate funding to support the framework
- Incorporate the Corporation's talent management and succession planning strategies and align both group and individual goals and performance with the Corporation's overall vision and goals.

Overall, this comprehensive framework including Educational Assistance will establish the goals and objectives related to organizational development, learning and development, performance management, and workforce and succession planning that align with the Community Strategic Plan. It will also provide detailed benchmarking information in terms of annual spending on a per person basis and as percentage of payroll.

Interestingly, as highlighted in The Conference Board of Canada's "Learning and Development Outlook" - 14th Edition report¹ recent data indicates that employers spend, on average, \$889 per employee on L&D (compared with \$800 in 2014–15, \$705 in 2012–13, and \$688 in 2010). Learning expenditures as a percentage of payroll and revenue have remained relatively constant, with organizations spending approximately 1.39 per cent of their annual payroll on learning and development. In 2016–17, organizations spent 1.12 per cent of their annual revenues on L&D, which again is consistent with past years.

The Corporation is well below the average, with a total spending of 0.33% of payroll (2020)².

¹Cotsman, Simon, and Colin Hall. Learning Cultures Lead the Way: Learning and Development Outlook—14th Edition. Ottawa a: The Conference Board of Canada, 2018. Distributed on a biennial basis.

²The figures noted in the 0.33% of payroll do not include Police/Roseland or Boards and Commissions, and includes Educational Assistance, Corporate Training Expenditures, inclusive of Corporate Coaching and Succession Planning.

Risk Analysis:

Succession planning has and continues to be identified as a significant risk to the corporation and is overseen by the Executive Director of Human Resources. One of the many mitigating strategies to deal with this risk is the Educational Assistance & Tuition Reimbursement Program. Given the motivation and determination of our employees to continue to grow within the Corporation there is little to no risk in terms of investing in the educational needs of the workforce to ensure a productive, high performing and optimally sound workplace.

While there is always a risk where an employee receives some form of reimbursement from the Corporation for an educational program or course of study, a Scale of Repayment allows the Corporation to recoup up to a maximum of 100% of funds if the employee resigns his/her employment or is terminated or discharged by the City. In such cases, the amount of repayment is based on the completed years of service by the employee and the date of payment for tuition reimbursement.

Should there continue to be an appropriate budget allocation and reserve account available to our employees to meet the ever-changing needs of the Corporation as a result of legislative changes, technological changes and retirements, there is little to no risk in terms of continuing to offer this tool in an effort to provide an adequate Succession Plan. This report is provided to City Council to identify expenditures flowing through the Educational Assistance Reserve Fund and to provide transparency.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

The Educational Assistance budget, as managed by the Human Resources Department, is outlined below in Table 1. As stipulated in the Report to Council 17615 on March 23, 2015, and approved per CR61/2015 to charge eligible educational allowance reimbursement expenses to the Human Resources Operating Budget with any annual surplus or deficits flowing through the Educational Assistance Reserve (Account 1770) subject to an annual report to City Council detailing transfers flowing through this Reserve.

Actual expenditures were less than budgeted for 2020, which resulted in a transfer to the reserve account of **\$9,581** and an ending balance in Reserve Account (1770) of **\$140,608** at December 31, 2020.

Table 1: Educational Assistance Program

	2015	2016	2017	2018	2019	2020
Educational Assistance Budget (001 8220 5073 02942 0145008)	\$52,607	\$56,287 ¹	\$56,287	\$56,287	\$56,287	\$56,287
Tuition Reimbursement	\$50,863	\$33,134 ²	\$44,443	\$77,523 ⁵	\$65,001	\$46,706
Employee Tuition Repayment	\$0	\$213	\$0	\$0	\$0	\$0
Transfer to / (from) Reserve Account	\$1,744	\$23,366	\$11,844	(\$21,236)	(\$9,506)	\$9,581
Other Transfers to Reserve Account	\$0	\$1,000 ³	\$2,000 ⁴	\$0	\$1,000 ⁶	\$0
Balance in Reserve Account (1770)	\$122,559	\$146,925	\$160,769	\$139,533	\$131,027	\$140,608

¹ The 2016 Educational Assistance Budget was increased by \$3,680 to include Transit Windsor's budget.

² The amount of tuition paid in 2016 was less than previous years due to outstanding tuition reimbursement requests that had been received at the time of the report.

³ In 2016, an Apprenticeship Grant in the amount of \$1,000 was received and transferred to the Reserve Account.

⁴ In 2017, an Apprenticeship Grant in the amount of \$2,000 was received and transferred to the Reserve Account.

⁵ The increased spike in the amount of tuition paid in 2018 was attributed largely in part to rising costs of University level courses which placed some additional pressure on the educational assistance budget.

⁶ In 2019, an Apprenticeship Grant in the amount of \$1,000 was received and transferred to the Reserve Account.

In such cases where an employee receives some form of reimbursement from the Corporation for an educational program or course of study, and the employee resigns his/her employment or is terminated, retires or discharged by the City, a scale of reimbursement is applied for the purpose of repayment to the Corporation.

The above does not include Educational Assistance in the Social Services Department. The Social Services Department representing service areas (Housing, Children Services and Ontario Works) share eligible expenditures with the provincial government and County cost sharing is applicable to the Municipal portion as provided in Table 2. The gross actual expenditures were less than budgeted in 2020, resulting in a \$8,850 gross surplus (\$15,375 -\$6,526). The net City cost was closed out at year-end as part of the Corporation's overall surplus.

Table 2: Educational Assistance Program in Social Services

	2015	2016	2017	2018	2019	2020
Social Services Operating Budget	\$8,820	\$13,770	\$18,420	\$14,735	\$16,091	\$15,376
Actual Expenditures	\$5,907	\$ 5,087	\$1,730	\$4,487	\$5,822	\$6,526
Provincial Subsidy Recovery	(\$4,088)	(\$3,751)	\$(1,230)	(\$3,226)	(\$4,554)	(\$4,260)
County of Essex Recovery	(\$632)	(\$385)	\$ (179)	(\$468)	(\$552)	(\$973)
<i>Net Cost to Social Services</i>	<i>\$1,186</i>	<i>\$951</i>	<i>\$321</i>	<i>\$793</i>	<i>\$715</i>	<i>\$1,293</i>

Table 3 outlines statistics on Educational Assistance applications processed in Human Resources, inclusive of the Social Services Department.

Table 3: Educational Assistance Applications

	2015	2016	2017	2018	2019	2020
Employee Applications Received & Processed for each year respectively	95	141	154	128	122	104 ¹
Applications Reimbursed for each year respectively	69	97	101	106	99	79
Applications Paid by Department (through apprenticeship program)	4	4	5	4	3	3
Applications Unpaid each year (at the submission of this report)	36	48	79	56	49	36
Applications Denied each year respectively	0	2	1	0	2	8
Total Number of Employees Reimbursed for each year respectively	35	56	47	56	44	37 ²

¹ Of the 104 applications received and processed in 2020, 41 represent applications received and processed in 2020 with an additional 38 applications received in 2019 and paid in 2020.

² Of the 37 employees receiving reimbursement, 19 of them took more than 1 course

The process for obtaining educational assistance consists of two elements. Employees must first complete an application requesting educational assistance **prior** to enrolling in a course of study at a recognized educational institution, upon which time the Executive Director or designate is to determine whether the request is eligible and if so, to indicate the level of assistance approved, based on job relatedness. Upon course completion, employees must submit an application requesting reimbursement of tuition fees, along with proof of successful completion of the course of study and accompanying receipt outlining costs. The figure relative to the *unpaid* applications, is representative of a number of factors, including requests for reimbursement of tuition fees not yet received and paid, the course of study not yet complete and/or dropped, the course of study cancelled through the educational institution or where the applicant received a failing grade, in which case there is no tuition reimbursement provided under the Educational Assistance Policy.

As part of the Corporation's transfer agreement with St. Clair College, employees of the Corporation have enjoyed a 70% reduction in tuition costs since 2007. This tuition incentive which was made available for a span of ten (10) years was to conclude in March, 2017, however the discount was extended until March, 2021. At the time of this report, a further renewal was granted to extend the discount until March 31, 2022. The impact of employees taking advantage of this discount, applicable to credited courses

under continuing education, is resulting in significant savings to the employer as well as to employees.

The Human Resources Department also receives and processes applications for the Skilled Trades Apprenticeship Program in accordance with all applicable Collective Agreements and/or Memoranda of Understanding with the various Bargaining Units, and guided by the rules and regulations governing Educational Assistance. Anyone approved under the Skilled Trades Apprenticeship Program will be reimbursed appropriately, however funding for this program will be made available through departmental specific training accounts based on the availability of departmental funding. Statistics reported prior to 2015 represented apprenticeship programs that were predominantly organized between respective City departments and the Ministry of Training, Colleges & Universities. After which, the Human Resources assumed responsibility for the organization, maintenance and reporting features of the apprenticeship program.

As of the writing of this report:

- three (3) employees completed the Construction Craftworker Apprenticeship;
- two (2) employees are registered in the Truck and Coach Apprenticeship;
- one (1) employee is registered in the Automotive Service Technician Apprenticeship

All reimbursements as they relate to Educational Assistance & Tuition Reimbursement for US Post-Secondary Institutions are paid equal to that in Canadian dollars, hence no exchange rate is applied. As such, any difference in the exchange rate is the responsibility of the employee should they choose or need to obtain a course of study in the U.S. While such requests are minimal as most reimbursements are in Canadian funds, this change which took place in July, 2017 was the result of substantially higher U.S. tuition costs, a tumbling Canadian dollar and a modest budget. It was important to impose this stipulation in an effort to ensure a fair and equitable distribution of educational funds corporately.

Consultations:

L. Higgins, Manager of Intergovernmental Subsidies & Financial Administration

K. Karam, Financial Planning Administrator

H. Seksenova, Financial Planning Administrator, Employment & Social Services

Conclusion:

Educational Assistance continues to be an important program under the Learning & Development Opportunities portfolio, providing a mechanism for employees to acquire the knowledge and skills needed to meet growing job requirements as well as the current and future needs of the Corporation as a whole.

This consolidated report represents an annual summary of expenses specifically related to Educational Assistance and Tuition Reimbursement for 2020, however this format will subsequently be replaced with a comprehensive framework and summary of activities related to Learning and Development, including Educational Assistance and provided through the annual budget process.

Planning Act Matters:

N/A

Approvals:

Name	Title
Vincenza Mihalo	Executive Director, Human Resources
Jelena Payne	Commissioner Community Development and Health, Corporate Leader - Social Development & Health
Kristen Karam	Financial Planning Administrator
Janice Guthrie	On behalf of Chief Financial Officer & City Treasurer – Corporate Leader of Finance & Technology
Steve Vlachodimos for Valerie Critchley	City Clerk & License Commissioner – Corporate Leader of Public Engagement & Human Services
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:



Committee Matters: SCM 157/2021

Subject: Windsor Accessibility Advisory Committee - 2020 Annual Report

Moved by: Councillor Gignac
Seconded by: Councillor Bortolin

Decision Number: **CSPS 146**

THAT the 2020 Annual Report of the Windsor Accessibility Advisory Committee **BE APPROVED.**

Carried.

Report Number: SCM 79/2021
Clerk's File: MB2020

Clerk's Note:

- a) The recommendation of the Standing Committee and the Advisory Committee are the same.
- b) Please refer to Item 7.1 from the Community Services and Parks Standing Committee Meeting held May 5, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210506/-1/5241>



Committee Matters: SCM 79/2021

Subject: Windsor Accessibility Advisory Committee - 2020 Annual Report

Windsor Accessibility Advisory Committee

Annual Report to Council- 2020

WAAC provides advice, expertise and input to Windsor City Council with respect to promoting a barrier free community and organization for persons with disabilities as well as providing advice to City Council about the implementation of the Accessibility for Ontarians with Disabilities Act (AODA) Accessibility Standards.

Membership

Councillor Ed Sleiman
Peter Best (Co-Chair)
Sally Bennett Olczak (Co-Chair)
Surendra Bagga
Ricardo Pappini
Sheila McCabe
Yo Son Dah Nost Huff
Mialynn Lee-Daigle
Nicholas Schuurman
Nicholas Petro (Alternate)
Kristy Franklin (Alternate)
Caleb Ray (Alternate)
Angela Hart (Alternate)

2020 Accomplishments:

- The Committee recommended :That City Council BE REQUESTED to consider the implementation of a one year Pilot Program waiving parking charges (impact of six parking spaces) for accessible permit holders on the west side of McDougall Street directly adjacent to 400 City Hall Square West. The Committee received an update from Andrew Dowie, Executive Initiatives Coordinator and Bill Kralovensky, Supervisor Compliance & Enforcement relating to the on-street accessible parking pilot program.--B. Kralovensky advises this matter has been referred to the New City Hall Plaza and Esplanade Project Steering Committee. He adds the Planning Department is reviewing parking options in that area
- The Transportation Subcommittee reviewed and reported back regarding accessible taxicabs and other accessible transportation matters.
- The Committee formed a Subcommittee to commence planning for a WAAC meet and greet/ event with other Accessibility Advisory Committees (AAC). Meeting is planned for spring of 2021.
- The Committee worked with the project lead of the New City Hall Project to provide input, advice and funding for 50% of the invoiced work for the installation of twenty-three (23) new door operators, push buttons, wiring, door strikes and programming into the access control system with the location of the doors/push buttons as

recommended by the Accessibility/Diversity Officer to an upset limit of \$69,000 from the Capital Project 7086008 (Accessibility Fund) BE APPROVED and further, that a plaque acknowledging the contribution by the Windsor Accessibility Advisory Committee and City Council BE ERECTED. The work is now fully completed and the project lead erected the plaque to acknowledge the contribution.

- Ongoing support to engineering in their work to update corporate standards to reflect any changes to accessibility standards.
- Providing ongoing support--audits and expertise regarding other City Facilities and properties
- Autumn Blaze Maple tree with personalized plaque to commemorate Wayne Meneguzzi, former Chair and long time member of WAAC was planted in the fall of 2020 in Jackson Park. A small ceremony, date to be determined by WAAC, will follow once it is appropriate given the restrictions of the pandemic.
- Arrangements made for commemorative bench with personalized plaque to commemorate Sandra Friesen, former long time member of WAAC.
- Provide ongoing input on the accessibility of zoning by-law amendments and site plans.
- Provided Letter of Support for the City of Windsor's Jumpstart Accessibility Grant Application for the Farrow Riverside Miracle Park Project.
- Katie Pavlovski, Coordinator Community Development provided an overview of the Recreation Master Plan and noted they intended to develop a network of representatives from diverse communities to intentionally include underrepresented people in recreation programs and services to ensure public spaces and places for recreation are safe and welcoming to all diverse populations through community consultation. WAAC was noted as a key representative of that network and they provided input on the initiative.
- Committee Co-chair (P.Best) assisted with the review and recommendations for a new accessible kiosk and queuing system for 350 City Hall.
- Trese MacNeil, Assistant Manager, WFCU Centre provided an overview of the history of the marina development project. The committee requested a site audit be made available. T. MacNeil noted the request will be accommodated when it is appropriate from a safety standpoint.
- Alexander Park initiative revisited to enhance accessibility features of park with a special focus on persons who are blind or low vision (This Park is located across the street from a building where numerous persons who are blind and low vision live). Of note are requests to include high contrast colour on benches, garbage, and recycling receptacles. Tactile indicators to be provided on the walking path, and signage should be erected to request that a walking path be kept clear due to blind and low vision individuals in the area (individuals fishing along the pathway can create a hazard for blind and low vision patrons).
- The Parks Department reached out to WAAC for input on a new playground in the Tranby area. The playground costs are being covered by the Parks budget and they are seeking advice on the accessibility of the design. The main features that the Accessibility for Ontarians with Disabilities Act (AODA) requires for accessible playgrounds includes the following:

- incorporate accessibility features, such as sensory and active play components, for children and caregivers with various disabilities into the design of outdoor play spaces; and
- ensure that outdoor play spaces have a ground surface that is firm, stable and has impact attenuating properties for injury prevention and sufficient clearance to provide children and caregivers with various disabilities the ability to move through, in and around the outdoor play space.

The suggestions from the Committee resulted in a number of accessibility enhancements including the addition of an accessible picnic table, high contrast colour on the swing set, and the location of the swing set was changed to allow it to be closer to the other play structures.

- Annual Windsor Essex Accessibility Awards was cancelled in 2020 due to the global pandemic. As part of the steering committee WAAC assists with planning, and implementation of the annual event. WAAC will continue with its ongoing support and participation in this event when it resumes in future years.
- \$5,000 (from the operating budget for WAAC) was provided for the purchase of additional accessible reading devices for the public (available at libraries).
- Leonardo Gil, Project Manager appeared before the Windsor Accessibility Advisory Committee to provide a Presentation entitled “Update Report: Windsor-Essex Regional Community Safety and Well-Being Plan. Group members will be asked to participate in two meetings over the course of the project. Meetings will involve qualitative activities piloted in previous community conversations as well as a prioritization process based on the results of public consultation data analyses. The Committee agreed to participate in the process.
- Gayle Jones, Accessibility/Diversity Officer, provided the committee with an overview of a promising wayfinding product. NaviLens is a system that allows, through some signals placed in the right places, blind people to detect them with their phone. Each one of these signs indicate, in an auditory way, in what direction one should go and what is the situation of the person with respect to the indicator poster, in addition to containing information of all kinds. The system consists of labels with colour codes similar to bar codes or QR codes that are placed in the points that you wish to identify or in which you want to place relevant information for the user. These codes are read by an application that makes use of the camera of the mobile device. The information obtained from each label is read by voice. G. Jones indicates that this technology could be considered as a pilot project with Transit Windsor to use on buses and bus stops. Further research and information to be provided to the committee in the future regarding the viability of a pilot project.
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- Linda Mackenzie, Chairperson, Friends of Adie Knox Pool is present to request the opening of Adie Knox Pool for people with physical challenges. She read her letter to the Committee. Committee vocalized support for opening the pool with numerous accessibility reasons noted. Written response from Aquatic services noted in part (more info noted in minutes): "As directed by Council, the City of Windsor does not plan on opening or operating additional aquatic facilities to the public unless the demand exceeds the capacity that we have available at the WFCU Centre Community Pool and the WIATC. Our staff has been working with residents to assist them in attending programming at the WFCU and WIATC pools." P. Best, Co-Chair suggests the establishment of a subcommittee to review this matter. K. Franklin, Y. Huff and P. Best volunteer to sit on this subcommittee.



Committee Matters: SCM 158/2021

Subject: Minutes of the Housing & Homelessness Advisory Committee of its meeting held February 23, 2021

Moved by: Councillor Morrison
Seconded by: Councillor Bortolin

Decision Number: **CSPS 147**

THAT the minutes of the Housing & Homelessness Advisory Committee of its meeting held February 23, 2021 **BE RECEIVED**.

Carried.

Report Number: SCM 111/2021

Clerk's File: MB2021

Clerk's Note:

- a) The recommendation of the Standing Committee and the Advisory Committee are the same.
- b) Please refer to Item 7.2 from the Community Services and Parks Standing Committee Meeting held May 5, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210506/-1/5241>



Committee Matters: SCM 111/2021

Subject: Minutes of the Housing & Homelessness Advisory Committee of its meeting held February 23, 2021

Housing & Homelessness Advisory Committee

Meeting held February 23, 2021

A meeting of the Housing & Homelessness Advisory Committee is held this day commencing at 10:00 o'clock a.m. via Zoom video conference, there being present the following members:

Marina Clemens, Chair
Councillor Kieran McKenzie
Anna Angelidis (arrives at 10:06 a.m.)
Jessica Brunet
Fiona Coughlin
Phil Dorner (arrives at 10:12 a.m.)
Kathy Hay
Eric Hill
Mayor Gary McNamara
Leigh Vachon
Angela Yakonich

Regrets received from:

Judith Binder
Joyce Zuk

Also present are the following resource personnel:

Chris Aspila, Planner III
Jeannie Diamond Francis, County of Essex
Tina Moore, Coordinator, Housing Administration & Development
Karen Kadour, Committee Coordinator

1. Call to Order

The Chair calls the meeting to order at 10:02 o'clock a.m. and the Committee considers the Agenda being Schedule "A" attached hereto, matters which are dealt with as follows:

2. Disclosure of Interest

None disclosed.

3. Adoption of the Minutes

Moved by Councillor McKenzie, seconded by Mayor McNamara,
That the minutes of the Housing & Homelessness Advisory Committee of its
meeting held November 25, 2020 **BE ADOPTED** as presented.
Carried.

4. Business Items

4.1 COVID Update

T. Moore advises that Housing Services in collaboration with a number of partners is currently managing an outbreak in the emergency shelter system. Currently supporting three sites to address the isolation requirements as indicated by the WECHU:

- Isolation and Recovery Centre (hotel model)
- AGRI Isolation and Recovery Centre In Collaboration with the Red Cross (hotel model)
- Windsor International Aquatic and Training Centre (temporary shelter space)

The Downtown Mission of Windsor (Downtown Mission), in partnership with the City of Windsor (the City), supported by the Windsor-Essex County Health Unit (WECHU) and numerous other partners are putting in place the emergency supports required to ensure that Windsor's vulnerable populations can access temporary shelter facilities following a COVID-19 outbreak at the Downtown Mission and Salvation Army.

The Medical Officer of Health for the WECHU, Dr. Wajid Ahmed, has issued an outbreak order under the Health Promotion and Protection Act (HPPA) Section 29(2) limiting the continued operations of the Downtown Mission in Windsor, in response to the recent COVID-19 outbreak and rise in cases. To support vulnerable persons in need of emergency shelter services, the City of Windsor and a coalition of partners are working to establish a temporary facility at the Windsor International Aquatic and Training Centre (also known as the aquatic centre) at 401 Pitt Street West.

In partnership with the City and with support from the Canadian Red Cross, the aquatic centre shelter will be operational along with staffing resources from a number of local agencies. The Downtown Mission has entered into a Collaboration Management Support Agreement with Assisted Living Southwestern (ALSO), the Canadian Mental Health Association (CMHA), Family Services Windsor Essex (FSWE), and Hôtel-Dieu Grace Healthcare (HDGH) for the aquatic centre location. The partnership will support the staff of the Downtown Mission at the temporary emergency shelter. Use of this facility to support vulnerable persons will continue until the WECHU determines that the Downtown Mission site can safely re-open, in compliance with public health guidelines.

Moved by A. Yakonich, seconded by J. Brunet,
That the COVID update provided by T. Moore, Coordinator Housing
Administration & Development **BE RECEIVED.**
Carried.

**4.2 Goal 1: Sustain & expand social housing & affordable housing supply
Canada Ontario Housing Benefit and Windsor Essex Housing Benefit Update**

T. Moore provides the following updates:

Canada Ontario Housing Benefit (COHB)

As of January 2021, the Ministry of Finance (MOF) on behalf of the Ministry of Municipal Affairs and Housing (MMAH) approved 214 COHB applications in Windsor and Essex County.

Upon the programs release on May 11, 2020, over two thousand expressions of interest were received and managed on a first come first serve basis. Interested residents were provided with information on the eligibility criteria e.g., on or eligible to be on our centralized waitlist, estimate of their benefit, and were assisted with the application process. In administering the COHB, analysis confirms that the COHB benefit calculation results in a shallower subsidy (average benefit of \$280 per month) when compared to RGI housing and Windsor-Essex rent supplement programs. Staff worked through the enquiries to ensure that those expressing an interest could make an informed choice about proceeding with the COHB or choosing to stay on the centralized waitlist for geared-to-income rent.

Upon the release of the COHB program the Ministry of Municipal Affairs and Housing (MMAH) closely monitored COHB allocations and take up across all communities in Ontario, and in October 2020 MMAH advised COHB funding needed to be delivered as early in the fiscal year (April 1 – March 31, 2021) as possible. Furthermore, the Ministry advised they would be assessing take up in all communities to assess whether reallocating from Service Managers who have uncommitted funding will be required. Housing Services provided MMAH with projections confirming full take up in Windsor Essex by December 31st and strongly advocated for the retention of our full 2020-21 COHB allocation (\$755,473). On October 5, 2020, Windsor Essex had 69 eligible COHB applications processed. Upon notification that the unspent allocation might be redistributed to other communities, concentrated mitigation efforts were put into place to ensure the maximization of our 2020-21 COHB allocation.

On December 23, 2020, MMAH released a notification advising of a temporary pause on the COHB for the 2020-21 program year.).

With the intense mitigation strategies put in place and the efforts of CHC's COHB administration team and the City of Windsor Housing staff, we are pleased to advise of an increase in the total eligible COHB applications by 145 eligible applicants increasing the total eligible COHB applications to 214. An approximate 310% improvement over the October 5th numbers which resulted in the Windsor Essex allocation being fully taken up for 2020-21.

Windsor Essex Housing Benefit (WEHB)

WEHB offers must be made in order of priority on the Central Housing Registry - Windsor Essex County (CHR-WEC) waitlist as these benefits count towards the Windsor Essex legislated service level standard. WEHB offers to Priority I and Priority II applicants have been issued, addressed and processed. To date 40 households from our centralized waitlist have been deemed eligible and approved for the WEHB. New CHR-WEC applicants in Priority I and II are being offered access to the WEHB upon notification of their eligibility on the centralized wait list. Offers to Priority III (chronological) applicants are now being issued in batches based on application date. It is expected that take up by chronological applicants on the CHR-WEC will be higher due to the length of time households would likely wait for an offer of rent geared to income housing.

As the administrator of the program Windsor Essex Community Housing Corporation, staff will continue to provide further information, guidance to interested applicants, as well as, confirming program eligibility, providing assistance and direction in terms of completing the application process for individuals who are deemed eligible and subsequently processing applications and issuing payments to eligible applicants.

4.2 Goal 2 – Capital-Funding Opportunities

There have been a number of funding announcements from the provincial and federal government to help shift the focus from emergency response to long-term housing solutions. Updates are provided in the table below.

Funding Stream	Funding Ministry	Amount	Month Allocation Received	Notes
Social Services Relief Fund (SSRF Phase I)	Ministry of Municipal Affairs & Housing (MMAH)	\$3.7 million	April 2020	No changes
Social Services Relief Fund (SSRF Phase II)	Ministry of Municipal Affairs & Housing (MMAH)	\$10 million	December 2020	As part of the federal-provincial Safe Start Agreement for 2020-21, the SSRF allocation provides a rare opportunity to access funding for strategic capital investments to

				address homelessness. The Province initially approved an SSRF Phase II allocation of \$4.5 million and on December 15 th , the City received confirmation of an additional \$5.5 million bringing the available funding to \$10 million.
Canada's COVID Economic Response Plan	Employment & Social Development Canada (ESDC)	\$3.6 million	April, July, October 2020	<p>Communities are encouraged to use these additional Reaching Home funds to:</p> <ol style="list-style-type: none"> 1. Extend emergency COVID-19 measures 2. Invest in activities that promote housing stability 3. Undertake activities to prevent future inflows into homelessness <p>As part of the business case communities must clearly describe planned investments in housing placements / stability as well as activities that will help prevent homelessness, given their importance in containing the spread of COVID-19.</p> <p>Funds must be fully spent by March 31, 2021</p>
Federation of Canadian Municipalities (FCM)	n/a	\$34,000	June 2020	No changes
COVID 19: Temporary Pandemic Pay (TPP)	MMAH	\$837,000	June 2020	Wage top up payments issued to 25 eligible employers with over 300 employees, including eligible City staff, for the period of April 24 to August 13, 2020.
Rapid Housing Initiative (RHI)	Canada Mortgage & Housing	TBD – Application based	February 2021	The Rapid Housing Initiative (RHI) provides funding to expedite the delivery of affordable housing units to vulnerable people in severe

	Corporation (CMHC)			<p>housing need specifically people at risk of or experiencing homelessness, or living in temporary shelters because of the COVID-19 pandemic.</p> <p>\$1 billion in funding is available through two separate streams 1) Major Cities and 2) Project. Windsor Essex falls under the project stream with access to \$500M, an application portal now open to governments, Indigenous governing bodies and organizations, and non-profit organizations where applications will be prioritized based on the strength of the application and due by December 31, 2020. Funds must be committed by March 31, 2021 with the initiative to target rapid housing and delivery of units within 12 months.</p> <p>CMHC will contribute up to 100% of funding to cover eligible residential construction costs. Modular construction or conversions/Rehabilitations. There were 8 RHI Applications submitted by Proponents in the Windsor and Essex service area. CMHC will make announcements on funding decisions in the month of February. There has not been any formal announcement on the delivery of a second stream of RHI funding.</p>
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4.2 Goal 3: Ending Homelessness

Public Health guidelines to mitigate the spread of COVID-19 identified the need for people to safely isolate in their homes. Unfortunately, for persons experiencing homelessness, this is not possible. Many of the COVID related initiatives implemented throughout 2020 focused on improving collaborative partnerships across sectors in order to assist people moving from the street and temporary shelter into permanent affordable housing, with appropriate wrap around supports. Through system improvements, the

community has begun to see small reductions in the number of people actively experiencing homelessness and increases in the number of households housed.

Housing Services, in collaboration with community partners, continue to improve the fidelity and quality of data reported to the Windsor Essex By-Names Prioritized List. By doing so, this ensures every person experiencing homelessness is known in real time in an effort to ensure appropriate supports and services can be offered, (as available), as well as better identify gaps, trends and overall service needs.

Planned discharges from provincially funded institutions is also an area where improvements are being explored, based on best and promising practices.

The current outbreak has highlighted the importance of supporting people experiencing homelessness to secure and maintain permanent housing options and reduce the flow of intakes into the shelter system.

Councillor McKenzie refers to taking people out of homelessness and moving them into permanent housing recognizing how complex that process is. A debate exists around the role that outreach workers play and that process is not just providing supports in the programs that are being offered or the financial supports or bricks and mortar but there is that direct outreach piece that is a fundamental component of bringing people into permanent housing.

T. Moore responds that the outreach workers have an important role in housing support and there is a renewed focus on their work within the community. It is a key integral part of how we connect with people that are experiencing homelessness and how we develop trusting relationships to support them into permanent housing options. The importance of outreach workers is recognized; their work does not just involve going out and providing supports, but also connecting people with appropriate services so they can be successful in securing housing moving forward.

Councillor McKenzie thanks the staff in the Housing Department for the work being done during this current crisis.

4.2 Goal 6 – RentSmart

Housing Services and P2P continue to support the Educators who are delivering virtual training to residents of Windsor and Essex County during the pandemic. This program is part of the goals and strategies identified under the Home Together: Housing and Homelessness Master Plan. RentSmart offers education and support services to tenants and landlords with one goal: Successful Tenancies.

Since 2019, RentSmart education has helped over 800 (87 in 2020) renters and landlords across our region navigate the rental market, find housing and maintain tenancy. The education covers: finding suitable housing; tenant rights and

responsibilities; property owner responsibilities and expectations; maintenance do's and don'ts; communicating effectively; and budgeting and planning for affordable housing.

4.2 Goal 7 – Update on HIFIS

The Homelessness Individuals and Families Information System (HIFIS 4.0) is now live and is being utilized by the Welcome Centre to track and manage client files. We are working toward the goal of having 30+ homelessness serving agencies utilizing HIFIS by 2022.

Due to the emergency response required to manage the COVID related responses in the housing sector, the timeline for the work plan to implement HIFIS may be impacted. It is recognized that during a pandemic and emergency management activities, how important data management and data informed decisions are in the housing sector.

T. Moore suggests deferral of the “Review and Feedback on Draft HHMP Reporting Tools” to the next meeting

Moved by A. Yakonich, seconded by J. Brunet,

That the update relating to the Housing & Homelessness Master Plan – Goals 1 -
7 BE RECEIVED.

Carried.

Councillor McKenzie leaves the meeting at 11:00 o'clock a.m.

4.3 HHAC Subcommittee

No report.

4.4 Updates from HHAC Members

F. Coughlin reports that their builds will begin in March, which includes four houses in Ford City on St. Luke and will house twenty-five people.

J. Steele states as part of their Regeneration Plan, the existing stock must be maintained. Canada Mortgage and Housing Corporation as part of the National Housing Strategy has a program where Windsor Essex Community Housing Corporation will complete necessary repairs to each of our developments and bundle them together under a program call Co-Investment Repair and Renew Program. We have brought partners to the table, which includes the City, County and Federal government. It is a ten-year plan with eight years remaining. The plan will be to invest \$170 M over the next eight years into our existing portfolio. Some of the existing targets that the Federal Government wants to address is accessibility and energy efficiency.

5. Date of Next Meeting

The next meeting will be held on June 22, 2021.

6. Adjournment

There being no further business, the meeting is adjourned at 11:08 a.m.

CHAIR

COMMITTEE COORDINATOR



Committee Matters: SCM 159/2021

Subject: Ministry of Labour Training and Skills Development Service Contract Approvals - City Wide

Moved by: Councillor Morrison
Seconded by: Councillor Bortolin

Decision Number: **CSPS 148**

THAT the Community Development and Health Services Commissioner **BE AUTHORIZED** to sign Service Contracts (the "Contracts") with the Ministry of Labour, Training, and Skills Development (MLTSD) and related documents as specified in the Contracts or as required by the MLTSD until superseded or replaced by a new or modified funding program, such that the Contracts do not exceed a maximum of \$1,000,000 gross expenditures. For Contracts in excess of \$1,000,000 gross expenditure, that in addition to the Community Development and Health Services Commissioner's signature, the Chief Administrative Officer **BE REQUIRED** to sign as secondary authority. Authorization would be subject to approval as to technical content by the Executive Director of Employment and Social Services, legal form by the City Solicitor, and financial content by the Chief Financial Officer and City Treasurer or designates, and provided there is no required net city contribution; and further,

THAT the foregoing authorization **BE EXTENDED** to any and other further amendments to the Contracts and related documents as specified in the Contracts, or as required by the MLTSD, for amounts under \$1,000,000 gross expenditure. For amendments in excess of \$1,000,000 gross expenditure, that in addition to the Community Development and Health Services Commissioner's signature, the Chief Administrative Officer **BE REQUIRED** to sign as secondary authority. Authorization would be subject to approval as to technical content by the Executive Director of Employment and Social Services, legal form by the City Solicitor, and financial content by the Chief Financial Officer and City Treasurer or designates, and provided there is no required net city contribution; and further,

THAT City Council **AUTHORIZE** the Executive Director of Employment and Social Services to sign the following administrative reports until superseded or replaced:

- Service Provider Business Plans;
- Estimated Expenditure Reports;
- Statement of Revenue and Expenditure Reports;
- Quarterly Status and Adjustment Reports;
- Other Administrative Reports as specified from time to time by the Ministry; and further,

THAT City Council **AUTHORIZE** the Manager of Employment and Training Initiatives or designate to sign all agreements with employers for training incentives in accordance with the criteria established by the Contracts until superseded or replaced by a new or modified training incentives program. Where the amount of the training incentive agreement does not exceed \$10,000 (100% MLTSD funding), the agreements are **SUBJECT TO** the approval as to technical content by the Executive Director of Employment and Social Services, and as to legal form by the City Solicitor. For training incentive agreements that exceed \$10,000 (100% MLTSD funding), that in addition to approval as to technical content by the Executive Director of Employment and Social Services, and as to legal form by the City Solicitor, that the agreement also **BE APPROVED** as to financial content by the City Treasurer and Chief Financial Officer, or designate. As long as the agreements conform to the standard format reviewed and pre-approved by the City Solicitor as to legal form, and to the Executive Director of Employment and Social Services as to technical content, the City Solicitor and Executive Director of Employment and Social Services are **NOT REQUIRED** to approve each individual agreement under \$10,000.

Carried.

Report Number: S 40/2021
Clerk's File: SS2021

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 8.1 from the Community Services and Parks Standing Committee Meeting held May 5, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210506/-1/5241>

**Subject: Ministry of Labour Training and Skills Development Service
Contract Approvals - City Wide**

Reference:

Date to Council: 5/5/2021
Author: Diane Quinn
Manager, Employment and Training Initiatives
519-255-5200 x 5403
dquinn@citywindsor.ca
Employment and Social Services
Report Date: 4/12/2021
Clerk's File #: SS2021

To: Mayor and Members of City Council

Recommendation:

THAT the Community Development and Health Services Commissioner **BE AUTHORIZED** to sign Service Contracts (the "Contracts") with the Ministry of Labour, Training, and Skills Development (MLTSD) and related documents as specified in the Contracts or as required by the MLTSD until superseded or replaced by a new or modified funding program, such that the Contracts do not exceed a maximum of \$1,000,000 gross expenditures. For Contracts in excess of \$1,000,000 gross expenditure, that in addition to the Community Development and Health Services Commissioner's signature, the Chief Administrative Officer **BE REQUIRED** to sign as secondary authority. Authorization would be subject to approval as to technical content by the Executive Director of Employment and Social Services, legal form by the City Solicitor, and financial content by the Chief Financial Officer and City Treasurer or designates, and provided there is no required net city contribution; and further,

THAT the foregoing authorization **BE EXTENDED** to any and other further amendments to the Contracts and related documents as specified in the Contracts, or as required by the MLTSD, for amounts under \$1,000,000 gross expenditure. For amendments in excess of \$1,000,000 gross expenditure, that in addition to the Community Development and Health Services Commissioner's signature, the Chief Administrative Officer **BE REQUIRED** to sign as secondary authority. Authorization would be subject to approval as to technical content by the Executive Director of Employment and Social Services, legal form by the City Solicitor, and financial content by the Chief Financial Officer and City Treasurer or designates, and provided there is no required net city contribution; and further,

THAT City Council **AUTHORIZE** the Executive Director of Employment and Social Services to sign the following administrative reports until superseded or replaced:

- Service Provider Business Plans;
- Estimated Expenditure Reports;
- Statement of Revenue and Expenditure Reports;
- Quarterly Status and Adjustment Reports;
- Other Administrative Reports as specified from time to time by the Ministry; and further,

THAT City Council **AUTHORIZE** the Manager of Employment and Training Initiatives or designate to sign all agreements with employers for training incentives in accordance with the criteria established by the Contracts until superseded or replaced by a new or modified training incentives program. Where the amount of the training incentive agreement does not exceed \$10,000 (100% MLTSD funding), the agreements are **SUBJECT TO** the approval as to technical content by the Executive Director of Employment and Social Services, and as to legal form by the City Solicitor. For training incentive agreements that exceed \$10,000 (100% MLTSD funding), that in addition to approval as to technical content by the Executive Director of Employment and Social Services, and as to legal form by the City Solicitor, that the agreement also **BE APPROVED** as to financial content by the City Treasurer and Chief Financial Officer, or designate. As long as the agreements conform to the standard format reviewed and pre-approved by the City Solicitor as to legal form, and to the Executive Director of Employment and Social Services as to technical content, the City Solicitor and Executive Director of Employment and Social Services are **NOT REQUIRED** to approve each individual agreement under \$10,000.

Executive Summary:

N/A

Background:

The City of Windsor's Employment and Training Services division is one of ten Employment Ontario delivery sites across the municipality, and one of six Consolidated Municipal Service Managers (CMSM) in the province that delivers both Ontario Works and Employment Ontario programs. The City of Windsor's Employment Services Contract with the Ministry of Labour, Training and Skills Development ("MLTSD") is for the period of April 1, 2021 to March 31, 2022. This covers the employment services provided by Employment and Training Services (ETS) on the first floor at 400 City Hall Square Suite 101 (also known as the ETS Resource Centre), as well as the Employment Services provided by the Employment and Training Services area on the fourth floor of 400 City Hall Square.

The City of Windsor delivers services on behalf of the Provincial government through a Service Agreement that is essentially "evergreen" and continues year to year. The City currently has two service contracts with MLTSD. The first service contract is for the delivery of Employment Services. The second service contract is for the delivery of the Canada Ontario Jobs Grant (COJG) program. These programs are delivered internally by Employment Services Caseworkers, who together with the clients help determine

goals and in many cases, develop individual action plans. Service contracts must be signed annually in order to renew the contracts and receive funding.

The Employment Services caseworkers also work in concert with Job Developers who find employment opportunities by working with employers in the community and refer clients that match the skills these employers are seeking.

From time to time, the Provincial Government will initiate and implement new or revamped employment programs for which the department may be engaged to deliver under contract with the Ministry.

This report is being brought forward to Council for approval as the authorization under Council Resolution #116/2019 to sign these contracts and administrative reports expired on March 31, 2021. We are seeking authority to sign these contracts as required annually unless there are significant changes that affect the deliverables or financial contributions. If any of these occur, the authority is void and a report will be brought back to Council for approval.

Discussion:

The MLTSD contract is comprised of the following two distinct contracts/programs:

1. *Employment Services (ES)*

Employment Services include Resources and Information; Job Search; Client Service Planning and Coordination; Job/Training Retention; Job Matching, Placement and Incentives; and Other Employment Ontario Programs.

2. *Canada-Ontario Job Grant (COJG)*

The City of Windsor has administered the COJG since 2015. This program provides opportunities for employers to invest in their workforce with help from the government. The Job Grant provides direct financial support to individual employers who wish to purchase training for their employees. It is available to small, medium and large businesses with a plan to deliver short-term training to existing and new employees, and will:

- Provide up to \$15,000 in government support per person for training costs for unemployed individuals hired by small employers, and up to \$10,000 in government support per person for training costs for incumbent staff working for small and large employers;
- Require small employers (under 100 employees) to contribute one sixth of the cost;
- Require large employers (100 or more employees) to contribute one half of the cost;
- Require training to be delivered by an eligible, third-party trainer.

As the Consolidated Municipal Service Manager, the City of Windsor receives annual notification from the MLTSD that the Employment Services (ES) and Canada Ontario Jobs Grant (COJG) Business Plans must be submitted in order to renew the contracts and receive funding allocations. The City of Windsor submits a written plan outlining programs and services that it will deliver based on MLTSD guidelines, measures,

targets, and expectations for service delivery. All contracts and business cases are for a period of one year.

As part of signing the 2021/2022 MLTSD service contracts, the Employment and Social Services (E&SS) Department will work with the Legal Department to develop a standard agreement format which will be reviewed and pre-approved by the City Solicitor. This standard format will include an addendum page to the Ministry approved format for Service Agreements. These agreements between the City and the organizations are to ensure that programs meet local needs and the City's legal interests are protected.

Over the years, the department has had tremendous success in both the ES program, as well as the COJG program. Our dedicated team of employees have met and/or exceeded every performance target on an annual basis, with the exception of last year given the current challenges faced due to the COVID-19 pandemic. Given our successes and extensive experience with Employment Ontario programs and services, the City is well positioned to take on any additional employment programs that the Ministry would like us to deliver, provided that adequate funding is received.

Risk Analysis:

The financial risk associated with the approval of this report is low. The Employment Services and COJG programs are funded 100% by the MLTSD to the contract amounts. The Department makes all necessary efforts to provide the services using only provincial dollars. Historically, the City has not contributed municipal funding into the Employment Ontario programs.

There is a no risk that the funding allocation may be reduced and/or eliminated for the current contract year (2021-2022). On February 22, 2021, the City of Windsor received confirmation from the Ministry that funding levels for the 2021-2022 fiscal year will remain the same as previous years. Subsequent to this memo, the City worked quickly and fully executed the 2021-2022 contract on March 26, 2021.

Taking into consideration historical performance results and funding levels trends, there is a low probability that operating funds will be reduced in future years beyond 2021-2022. However in the event that MLTSD funding is reduced (or costs exceed the allocation provided), the department will undertake a review of all programs and services to ensure activities are undertaken within the approved funding envelope. These limitations may impact staffing levels and service delivery.

As noted in the Discussion section and supported by our exceptional annual performance results, the Employment Ontario program has positively contributed to the employment successes in the Windsor-Essex community. Although the probability is low, there is a risk that individuals may find themselves unable to participate in the labour market should MLTSD service agreements not be approved and/or the programs are eliminated.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

Under the current contract with MLTSD, there are no additional contributions required by the Municipality. Current funding allocations (April 1, 2021 to March 31, 2022) for each program are as follows:

Employment Services Program

Operating Funds	\$1,615,500
Employment and Training Incentives for Employers	\$ 342,000
Employment and Training Supports for Clients/Participants	\$ 18,000
Total	\$1,975,500

Canada-Ontario Job Grant Program

Operating Funds	\$ 44,673
Training Contribution Funding	\$ 253,149
Total	\$ 297,822

Despite the annual cost increases related to staffing and other operating expenses, MLTSD has kept funding at the same level in each contract year since 2013. Although every year becomes a little more challenging, the Department continues to manage within the funding envelope provided.

When approved by the Ministry, additional in-year, one-time allocations may be granted because Employer Initiatives, Client Supports or Training Contribution funds were fully exhausted prior to the end of the contract year. No additional in-year funding has been provided toward each program's Operating Funds. This is a good news story as it shows that Administration is delivering services effectively within the funding allocated.

Employment and Training Services enters into agreements with employers to provide funding for training incentives in compliance with the criteria established within the Canada Ontario Job Grant contract under MLTSD. Given the volume of employer agreements signed each year, and that fewer than 10% of the agreements exceed \$10,000 in funding, financial review will be limited only to those agreements in excess of \$10,000 in order to promote a more efficient process. This financial review limit will only apply to training incentives agreements with employers under the MLTSD program. All other agreements will continue to require City Treasurer approval as to financial content.

Throughout the life of the contracts, contract amendments may be required if any additional funding is provided, or if there are changes required to any of the articles or schedules provided in the agreement. Should there be any significant in-year changes to the scope of services, programs, delivery expectations, or funding, a report will be brought back to Council for approval.

Consultations:

Hristina Seksenova, Financial Planning Administrator

Linda Higgins, Manager of Intergovernmental Subsidies and Financial Administration

Joshua Meloche, Legal Counsel

Conclusion:

In order to secure the full funding from the Province, the approval and signing of the Service Contracts with the MLTSD are required. This will ensure that the Department can continue to provide exceptional employment services and supports to individuals in Windsor and Essex County.

Planning Act Matters:

N/A

Approvals:

Name	Title
Diane Quinn	Manager, Employment and Training Initiatives
Andrew Daher	Executive Director, Employment and Social Services
Jelena Payne	Commissioner, Community Development and Health Services/Corporate Leader – Social Development and Health
Shelby Askin-Hager	City Solicitor/Corporate Leader – Public Safety, Economic Development
Joe Mancina	Chief Financial Officer and City Treasurer/Corporate Leader – Finance and Technology
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:



Committee Matters: SCM 160/2021

Subject: 1st Lease Extension and Amendment Agreement for the Consolidated Municipal Service Manager (CMSM) for the delivery of Ontario Works in Leamington, ON - City Wide

Moved by: Councillor McKenzie
Seconded by: Councillor Bortolin

Decision Number: **CSPS 149**

I. THAT **APPROVAL BE GIVEN** to enter into a 1st Lease Extension and Amendment Agreement for space leased by the Consolidated Municipal Service Manager (CMSM) for Ontario Works (The Corporation of the City of Windsor) at 33 Princess, Leamington, Ontario in accordance, on the following terms and conditions:

BASIC TERMS:

- | | | |
|----|--|--------------------------------------|
| a) | Landlord | Central 33 Ltd. |
| b) | Landlord's Address | 33 Princess Road, Leamington ON |
| c) | 1st Extension Period | Five Year Term |
| d) | Commencement Date | April 1, 2021 |
| e) | Termination Date | March 31, 2026 |
| f) | Leased Premises | 33 Princess Road, Leamington Ontario |
| g) | Area of Leased Premises | 6,419.14 square feet (rentable) |
| h) | Basic Rent | \$9.00 per square foot (plus HST) |

- i) **CAMS** \$3.20 per square foot, plus the cumulative Ontario CPI per annum from the initial five (5) year term of this lease
- j) **Land Taxes** Payable by Tenant (in addition to CAMS)
- k) **Utilities** Payable by Tenant (in addition to CAMS)
- l) **Parking** 20 Parking Spaces included
- m) **Permitted Use** Office space
- n) **Insurance** General Liability Insurance
Minimum Limit \$5,000,000.00

Tenant's Legal Liability Insurance, full replacement cost of leased premises including loss of use
- o) **Renewal** Tenant has the option for one (1) additional term of five years (the "**2nd Extension Period**") under the same terms and conditions, as amended in Recommendation II below, save and except Basic Rent, which will be \$10 per square foot

CAMS during the 2nd Extension Period will be capped at \$3.20 per square foot, plus the cumulative Ontario CPI per annum from April 1, 2016 to March 31, 2026; and further,

II. THAT **APPROVAL BE GIVEN** to amend certain terms and conditions of the lease as follows:

1. As of the date hereof, the parties agree that the Tenant shall surrender the portion of the Premises known as the "Lunchroom and Board Room on the Fourth Floor". The Area of the Premises, as defined in the Lease, shall be reduced by an area of 508 rentable square feet, from 6,927.14 rentable square feet to 6,419.14 rentable square feet.

2. The Landlord's approval of the surrender of 508 rentable square feet as outlined in section 1 above, is conditional upon the Windsor Essex Children's Aid Society and the Windsor-Essex County Health Unit (collectively, the "Partners") also surrendering the same portion of the Premises, and the Landlord securing a lease of the space to another organization.

LANDLORD CONVENANTS

3. Subject to the Partners agreeing to share in the costs of the renovations to the First Floor Board Room, and subject to the Partners amending their leases with the Landlord as set forth in section 2 above:
 - a. The Landlord agrees to guarantee continued access to secured washrooms on the First and Fifth Floors;
 - b. The landlord agrees to cover 50% of the costs of construction and renovations of the lunch room and staff area within the Fourth Floor office space; and
 - c. The Landlord agrees to be responsible for the moving costs incurred by the Tenant associated with moving any of the Tenant's equipment, furniture and other items from the Fourth Floor boardroom, kitchen and meeting room space, as required; and further
 - III. THAT the Chief Administrative Officer and City Clerk **BE AUTHORIZED** to sign the 1st Lease Extension and Amendment Agreement, satisfactory in technical content to the Executive Director of Employment and Social Services and to the Lease Administrator, satisfactory in form and content to the City Solicitor and satisfactory in financial content to the City Treasurer; and further,
 - IV. THAT the Chief Administrative Officer and City Clerk **BE AUTHORIZED** to sign the amendment to the tri-partite agreement with Windsor-Essex Children's Aid Society and the Windsor-Essex County Health Unit pursuant to the approval authorized in C 93/2016.
- Carried.

Report Number: S 41/2021
Clerk's File: SS2021

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 8.2 from the Community Services and Parks Standing Committee Meeting held May 5, 2021.

- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210506/-1/5241>

Subject: 1st Lease Extension and Amendment Agreement for the Consolidated Municipal Service Manager (CMSM) for the delivery of Ontario Works in Leamington, ON - City Wide

Reference:

Date to Council: 5/5/2021
Author: Tanya Antoniwiw
Manager, Policy and Staff Development
519-255-5200 x 5386
tantoniwiw@citywindsor.ca
Employment and Social Services
Report Date: 4/16/2021
Clerk's File #: SS2021

To: Mayor and Members of City Council

Recommendation:

I. **THAT APPROVAL BE GIVEN** to enter into a 1st Lease Extension and Amendment Agreement for space leased by the Consolidated Municipal Service Manager (CMSM) for Ontario Works (The Corporation of the City of Windsor) at 33 Princess, Leamington, Ontario in accordance, on the following terms and conditions:

BASIC TERMS:

- | | |
|---|--------------------------------------|
| a) Landlord | Central 33 Ltd. |
| b) Landlord's Address | 33 Princess Road, Leamington ON |
| c) 1st Extension Period | Five Year Term |
| d) Commencement Date | April 1, 2021 |
| e) Termination Date | March 31, 2026 |
| f) Leased Premises | 33 Princess Road, Leamington Ontario |
| g) Area of Leased Premises | 6,419.14 square feet (rentable) |

- | | | |
|----|----------------------|--|
| h) | Basic Rent | \$9.00 per square foot (plus HST) |
| i) | CAMS | \$3.20 per square foot, plus the cumulative Ontario CPI per annum from the initial five (5) year term of this lease |
| j) | Land Taxes | Payable by Tenant (in addition to CAMS) |
| k) | Utilities | Payable by Tenant (in addition to CAMS) |
| l) | Parking | 20 Parking Spaces included |
| m) | Permitted Use | Office space |
| n) | Insurance | General Liability Insurance
Minimum Limit \$5,000,000.00
Tenant's Legal Liability Insurance, full replacement cost of leased premises including loss of use |
| o) | Renewal | <p>Tenant has the option for one (1) additional term of five years (the "2nd Extension Period") under the same terms and conditions, as amended in Recommendation II below, save and except Basic Rent, which will be \$10 per square foot</p> <p>CAMS during the 2nd Extension Period will be capped at \$3.20 per square foot, plus the cumulative Ontario CPI per annum from April 1, 2016 to March 31, 2026; and further,</p> |

II. THAT APPROVAL BE GIVEN to amend certain terms and conditions of the lease as follows:

1. As of the date hereof, the parties agree that the Tenant shall surrender the portion of the Premises known as the "Lunchroom and Board Room on the Fourth Floor". The Area of the Premises, as defined in the Lease, shall be reduced by an area of 508 rentable square feet, from 6,927.14 rentable square feet to 6,419.14 rentable square feet.
2. The Landlord's approval of the surrender of 508 rentable square feet as outlined in section 1 above, is conditional upon the Windsor Essex Children's Aid Society and the Windsor-Essex County Health Unit (collectively, the "Partners") also surrendering the

same portion of the Premises, and the Landlord securing a lease of the space to another organization.

LANDLORD CONVENANTS

3. Subject to the Partners agreeing to share in the costs of the renovations to the First Floor Board Room, and subject to the Partners amending their leases with the Landlord as set forth in section 2 above:
 - a. The Landlord agrees to guarantee continued access to secured washrooms on the First and Fifth Floors;
 - b. The landlord agrees to cover 50% of the costs of construction and renovations of the lunch room and staff area within the Fourth Floor office space; and
 - c. The Landlord agrees to be responsible for the moving costs incurred by the Tenant associated with moving any of the Tenant's equipment, furniture and other items from the Fourth Floor boardroom, kitchen and meeting room space, as required; and further
- III. THAT the Chief Administrative Officer and City Clerk **BE AUTHORIZED** to sign the 1st Lease Extension and Amendment Agreement, satisfactory in technical content to the Executive Director of Employment and Social Services and to the Lease Administrator, satisfactory in form and content to the City Solicitor and satisfactory in financial content to the City Treasurer; and further,
- IV. THAT the Chief Administrative Officer and City Clerk **BE AUTHORIZED** to sign the amendment to the tri-partite agreement with Windsor-Essex Children's Aid Society and the Windsor-Essex County Health Unit pursuant to the approval authorized in C 93/2016.

Executive Summary:

N/A

Background:

The City of Windsor, Employment and Social Services department entered into a Lease Agreement with Central 33 Ltd. effective April 1, 2016. This Lease Agreement was approved by City Council through an In Camera meeting on November 16, 2015 (CRM479/2015). The Leamington Ontario Works Office has been operating out of 33 Princess, Leamington, Ontario since April 1, 2016, occupying office space on the fourth floor of the building and shared space on the first, fourth and fifth floors of the building. The shared space is in partnership with the Windsor-Essex Children's Aid Society (WECAS) as well as the Windsor-Essex County Health Unit (WECHU). The concept with the shared space was to create a "Hub" where mutual clients would be able to access services in a coordinated fashion and share information to support mutual clients between the agencies.

The term of the lease was five years and expired on March 31, 2021. Prior to the end of the term, the Hub partner agencies met to discuss the space requirements for each agency and reviewed the shared space. Through these discussions, it was identified that the shared space on the fourth floor that includes the lunch room, training room and board room was no longer required. The landlord also indicated that there was a tenant that was interested in expanding their space and would be interested in occupying the space on the fourth floor. The Hub Partners agreed to relinquish the space effective March 1, 2021 and have the leases for the following term updated to reflect the reduction of space.

Discussion:

Given that the first term of the lease has expired, the department engaged in a review of the required space. With the reduction of the shared space, there were two factors to be considered by the department: the availability of meeting space and a secured space where staff could eat and spend time on breaks and lunches. To address the meeting space requirement, WECAS and WECHU have agreed to amend the tri-partite cost sharing agreement to allow the City of Windsor to utilize the board room on the first floor in the secured shared space. To address the space for staff to spend breaks and lunches, the City of Windsor discussed with the landlord the possibility to renovate a portion of the file room within the City of Windsor's secured space on the 4th floor to accommodate an eating area. With the implementation of Electronic Document Management, the need for a large file room has been reduced and some of the space can now be re-purposed to a break room area. The landlord has agreed to pay for 50% of the renovation costs associated with this project and this provision has been included in the lease amendment. The sale from the equipment will fund any costs and will be absorbed within the OW budget.

The furniture and equipment within the space will be tallied and divided by the partners according to the tri-partite agreement with WECAS and WECHU. There was Audio-Visual equipment that was cost-shared with WECAS and the new tenant has offered to purchase it from WECAS. A portion of the proceeds from the sale of this equipment will be provided to the City of Windsor based on the same formula that was used when it was originally purchased in 2016. Our purchasing department was consulted and supported and as a result, the City of Windsor has received \$4,879.49 through the sale of this equipment.

The changes to the space will not impact customer service to Ontario Works clients. Ontario Works clients will continue to have secure and private meeting space to meet with their caseworker and other staff. These changes will impact staff in terms of meeting space and break rooms.

Risk Analysis:

The risks associated with the project are considered low. All of the partner agencies have agreed to relinquish the space and continue to work together. By not approving the amendment, the City of Windsor would be responsible to incur the full cost of renting the space and it would be too large of a space for use by City of Windsor staff only. This prudent and practical approach will result in annual cost savings.

In terms of the construction of the break room within the City of Windsor secured space on the fourth floor, an independent contractor would complete the renovations. The supervisor on-site would ensure that all Health and Safety protocols for an active construction site are adhered to during the renovation phase.

Climate Change Risks**Climate Change Mitigation:**

N/A

Climate Change Adaptation:

N/A

Financial Matters:

The Leamington office accommodation costs are eligible for Ontario Work Program Delivery funding. The Ministry of Children, Community, and Social Services (MCCSS) funds 50% of the gross cost with the remaining 50% municipal cost further cost shared between the City and the County using the arbitrated weighted assessment formula.

The reduction of 508 square feet in rentable space is estimated to result in operational savings. However those savings will be offset by the increase in Basic Rent for the next five years (\$1.00 per square foot) and CAM costs that may increase by the cumulative Ontario CPI per annum over the last five years. Due to cost sharing with MCCSS as well as the County of Essex, the increased rent offset by the reduction in space will result in a Net City cost increase of approximately \$235 per year. There are sufficient funds within the approved 2021 budget to fund the increase. By prudently reviewing the space requirements, the department is able to absorb the additional scheduled rent increase. Additional budget dollars may be required if the recommended space reduction is not approved.

As noted in the body of the report, the landlord agrees to cover 50% of the cost of constructing and renovating the lunch room and staff area within the Fourth Floor office space. The proceeds from the sale of the equipment (\$4,879.49) will offset the cost of the renovation. The City's share of the cost of the renovations will be approximately \$761 based on gross costs of \$20,000 less proceeds from sale of furniture, Provincial and County Cost sharing. There are sufficient funds within the approved 2021 OW Program Delivery budget to cover the City's share of the projected cost.

Consultations:

Linda Higgins, Manager of Inter-Governmental Subsidies & Financial Administration.

Bev Clarke, Supervisor, Ontario Works- Leamington Office

Lorie Gregg, Director- Corporate Services, Windsor-Essex County Health Unit

Olivia Carlini, Director of Finance and Administration, Windsor-Essex Children's Aid Society

Denise Wright, Lease Administrator

Joshua Meloche, Legal Counsel

Conclusion:

Entering into the 1st Extension and Amendment Agreement recommended herein will ensure that the City of Windsor Employment and Social Services space requirements within the Leased Premises are adequate for its needs in a cost effective manner.

Planning Act Matters:

N/a

Approvals:

Name	Title
Tanya Antoniow	Manager, Policy and Staff Development
Andrew Daher	Executive Director of Employment and Social Services
Jelena Payne	Commissioner of Community Development and Health Services/Corporate Leader – Social Development and Health
Shelby Askin Hager	City Solicitor/Corporate Leader – Economic Development and Public Safety
Joe Mancina	Chief Financial Officer/City Treasurer/Corporate Leader – Finance and Technology
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:



Committee Matters: SCM 171/2021

Subject: 4433 Wyandotte Street East Z-043/20 [ZNG6163] to add use to a zoning category and permit site specific provisions - Ward 5

Moved by: Councillor Sleiman

Seconded by: Councillor Holt

Decision Number: **DHSC 280**

- I. THAT an amendment to City of Windsor Zoning By-law 8600 **BE APPROVED**, changing the zoning of LOT 25 PLAN 1492 (Roll 010-030-09100-0000), Known Municipally as 4433 Wyandotte Street East, from Residential District 2.2 (RD2.2) to Residential District 2.5 (RD2.5) with the following additional site-specific regulations:

Regulations:

Lot width (frontage) – minimum 16.76 m

Front yard depth – maximum 29.10 m

- II. THAT By-law 103-20 (Residential Interim Control By-law) **BE AMENDED TO EXEMPT** LOT 25 (PLAN 1492, Roll 010-030-09100-0000), Known Municipally as 4433 Wyandotte Street East subject to rezoning Z-043/20 ZNG/6163.

Carried.

Member Moore voting nay.

Report Number: S 43/2021

Clerk's File: ZB/14044

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 7.1 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

Subject: 4433 Wyandotte Street East Z-043/20 [ZNG6163] to add use to a zoning category and permit site specific provisions - Ward 5

Reference:

Date to Council: May 10, 2021
Author: Melissa Gasic
Planner II - Development Review
519-255-6543, ext. 6447
Report Date: April 20, 2021
Clerk's File #: ZB/14044

To: Mayor and Members of City Council

Recommendation:

- I. **THAT** an amendment to City of Windsor Zoning By-law 8600 **BE APPROVED**, changing the zoning of LOT 25 PLAN 1492 (Roll 010-030-09100-0000), Known Municipally as 4433 Wyandotte Street East, from Residential District 2.2 (RD2.2) to Residential District 2.5 (RD2.5) with the following additional site-specific regulations:

Regulations:

Lot width (frontage) – minimum 16.76 m

Front yard depth – maximum 29.10 m

- II. **THAT** By-law 103-20 (Residential Interim Control By-law) **BE AMENDED TO EXEMPT** LOT 25 (PLAN 1492, Roll 010-030-09100-0000), Known Municipally as 4433 Wyandotte Street East subject to rezoning Z-043/20 ZNG/6163;

Executive Summary:

N/A

Background:

Application Information:

Location: 4433 Wyandotte Street East

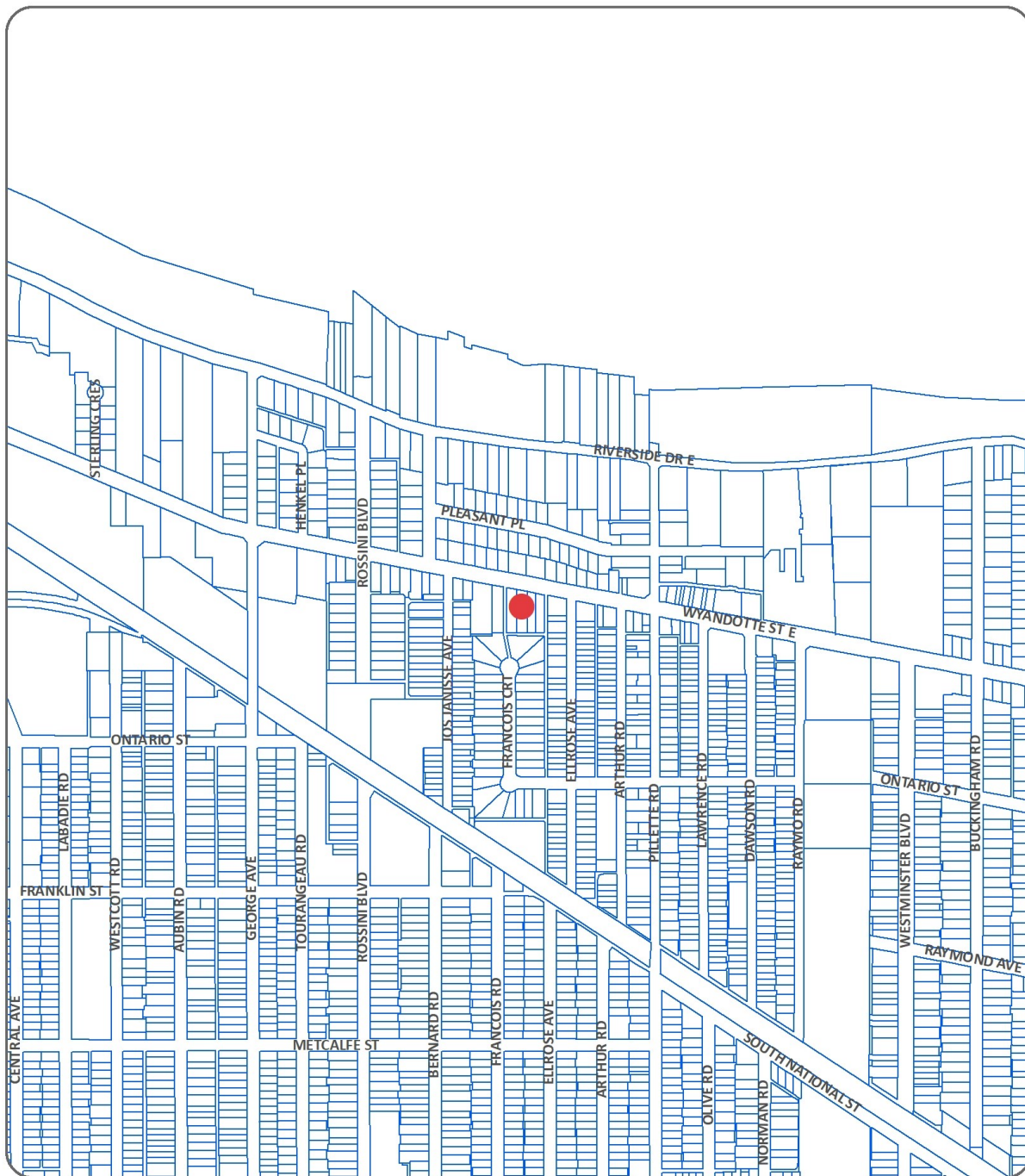
Ward: 5

Planning District: East Windsor

ZDM: 10

Owner: Anni Mousheekh

Applicant/Agent: Anni Mousheekh/ Tracey Pillon-Abbs



KEY MAP - Z-043/20, ZNG-6163



● SUBJECT LANDS

Location Map Z043/20 [ZNG/6163]

Proposal:

The owner proposes to build a new two and a half-storey 6-unit residential building, 8.5 metres in height. There is an existing single detached dwelling on-site and accessory buildings that will be demolished. The development will provide 7 parking spaces at the front of the site.

Wyandotte Street East has sidewalks on both sides of the street. There is a median located on Wyandotte Street East.

The alleyway allowance (not paved) is separating the property from the low profile residential to the south located at the cul-de-sac of Francois Court. There is pedestrian access from the aforementioned cul-de-sac to Wyandotte Street East one property over to the west. The property has access to municipal water and sanitary and storm sewers.

Site Information:

OFFICIAL PLAN	ZONING	CURRENT USE	PREVIOUS USE
Residential	Residential District 2.2 (RD2.2)	Residential	Residential
LOT WIDTH	LOT DEPTH	AREA	SHAPE
16.76 m (55 ft)	69.31 m (227.4 ft)	1,140.03 m (12271.18 sq ft)	irregular
All measurements are for the entire parcel and are approximate.			

Neighbourhood Characteristics:

The site is located on the south side of Wyandotte Street East between Ellrose Ave. and Jos Janisse Ave. Pillette Road is located 2 blocks to the east.

The Site has access to transit with the closest bus stop at the corner of Wyandotte Street East and Pillette Road and Wyandotte Street East and Jos Janisse Avenue (Route 2).

There are several schools nearby including FJ Brennan Catholic High School, Corpus Christi Catholic Middle School, and Princess Elizabeth Public School.

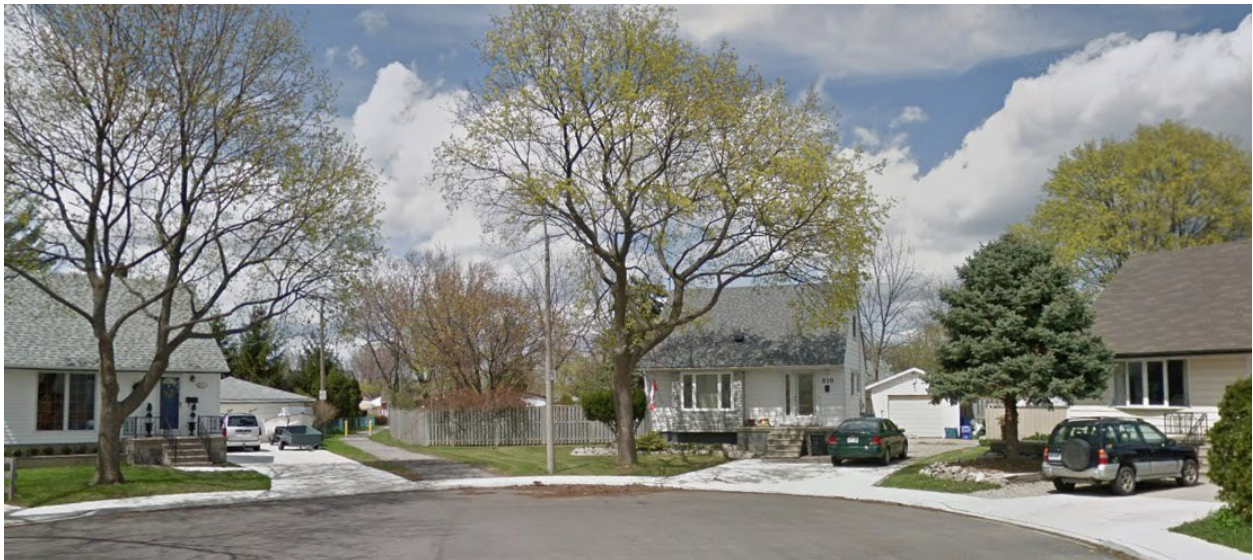
There are many parks and recreation opportunities in close proximity to the Site including Reaume Park, Coventry Gardens and Goose Bay Park. There is nearby shopping in the form of plazas and malls as well as employment, churches and local/regional amenities.

Surrounding Land Uses:

a) **North** – The lands directly north of the Site are used for low density residential and commercial (see Photo 1 - North). Those dwellings are located along Wyandotte Street East and face the Site;



b) **South** – The lands directly south of the Site are used for low density residential (see Photo 2 - South). Those dwellings directly abut the rear of the Site and are located along Francois Court;

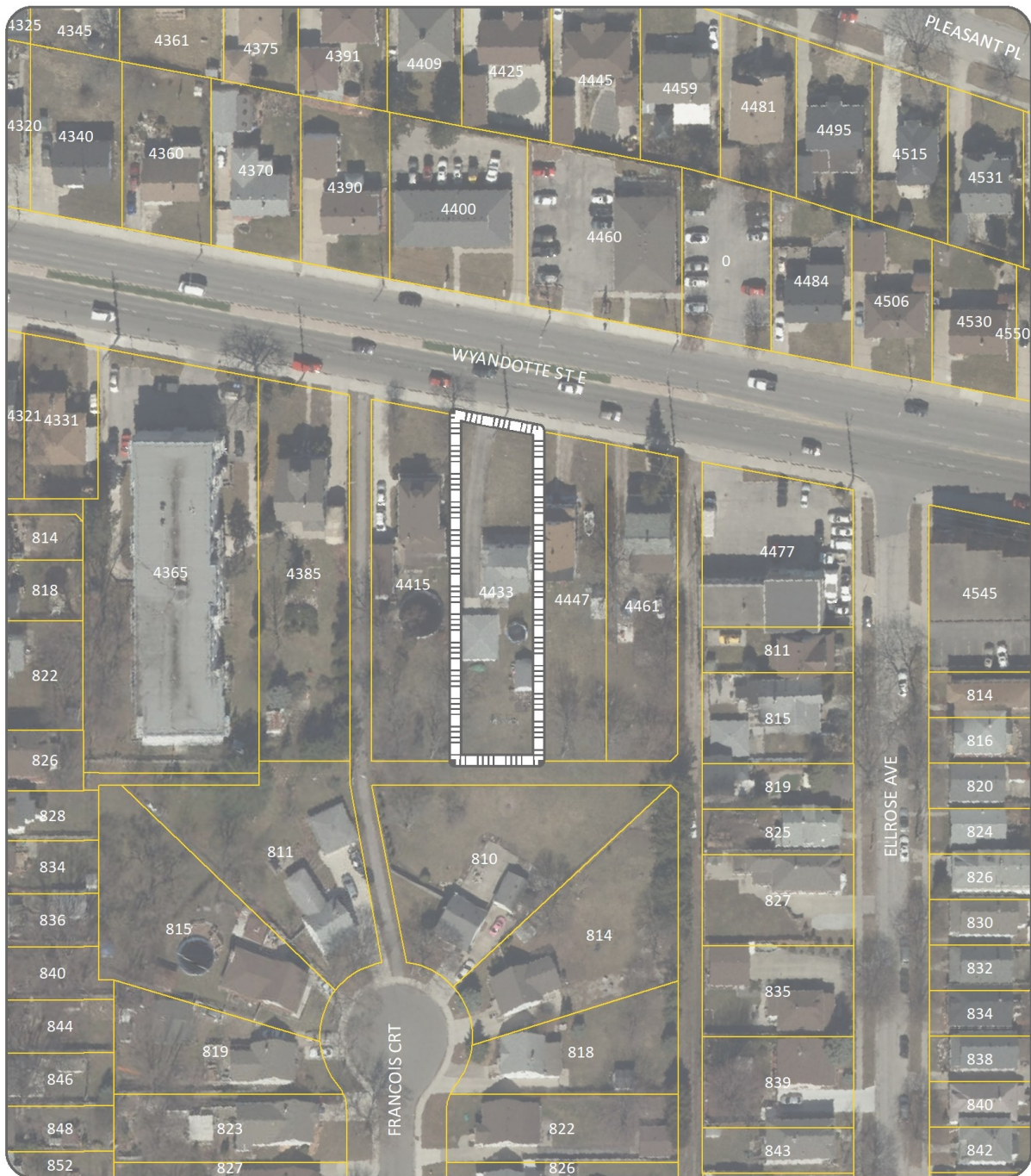


c) **East** – The lands east of the Site are used for low density residential (see Photo 3 - East). Beyond the Site are commercial uses;



d) **West** – The lands west of the Site are used for low density residential (see Photo 4 - West).





NEIGHBOURHOOD MAP - Z-043/20, ZNG-6163



SUBJECT LANDS

Discussion:

Planning Analysis:

Provincial Policy Statement (PPS) 2020:

The Provincial Policy Statement, 2020 (PPS) provides direction on matters of provincial interest related to land use planning and development and sets the policy foundation for regulating the development and use of land in Ontario.

The proposed development is consistent with the PPS in that it promotes a compact and transit-supportive form of development. As well, this development will add to the range of housing types in an area comprised of low-profile residential and commercial developments.

The site is also on a Mainstreet (Wyandotte Street East) which provides neighbourhood commercial uses close to residents. The site is also on a transit route that will provide a range of travel options. Both promote the walkability of the neighbourhood.

The following are some of the key policy considerations that establish the consistency of the proposed development to the PPS:

PPS #	Policy
1.1.1	Healthy, liveable and safe communities are sustained by: b) accommodating an appropriate affordable and market-based range and mix of residential types (including single-detached, additional residential units, multi-unit housing, affordable housing and housing for older persons), employment (including industrial and commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space, and other uses to meet long-term needs.
1.1.3.2	Land use patterns within settlement areas shall be based on densities and a mix of land uses which: b) are appropriate for, and efficiently use, the infrastructure and public service facilities which are planned or available, and avoid the need for their unjustified and/or uneconomical expansion;
1.1.3.3	Planning authorities shall identify appropriate locations and promote opportunities for transit-supportive development, accommodating a significant supply and range of housing options through intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.
1.4.3	Planning authorities shall provide for an appropriate range and mix of housing options and densities to meet projected market-based and

	affordable housing needs of current and future residents of the regional market area.
1.6.7.4	A land use pattern, density and mix of uses should be promoted that minimize the length and number of vehicle trips and support current and future use of transit and active transportation.

Official Plan:

The OP implements the PPS and establishes a policy framework to guide land use planning decisions related to the development and the provision of infrastructure and community services throughout the City. The City of Windsor Official Plan currently designates the site Mixed Use. The proposed residential use conforms to the Mixed-Use designation as it is one of the uses that is permitted alongside retail, service and commercial establishments, offices, cultural, recreation and entertainment, institutional and open space uses.

The following are some of the key policy considerations that establish the conformity of the proposed development to the OP and provide guidance for the zoning amendment recommendations:

Policy	Proposal
3.2.1.2 Range of housing types	6 new residential units in a two and a half storey building adds to the existing mix of residential types consisting of various types of low profile residential and commercial uses
6.9.2.1 Uses permitted in the Mixed-Use land use designation include retail and service commercial establishments, offices, cultural, recreation and entertainment uses, and institutional, open space and residential uses, exclusive of small-scale Low Profile residential development.	Residential use is permitted. The proposed development is however considered a low-profile building.
6.9.2.4 At the time of submission, the proponent shall demonstrate to the satisfaction of the Municipality that a proposed Mixed-Use development is: (c) capable of being provided with full municipal physical services and emergency services; (d) provided with adequate off-street	The Site has access to full municipal services and the required parking is provided on-site. There are sidewalks on both sides of Wyandotte and a pathway to the main entrance of the building. The proposed development is compatible with the surrounding area in terms of scale, massing, height, siting, orientation, setbacks, parking and landscaped areas as it suits the adjacent properties which

<p>parking;</p> <p>(e) pedestrian oriented;</p> <p>(f) compatible with the surrounding area in terms of scale, massing, height, siting, orientation, setbacks, parking and landscaped areas;</p>	<p>have very similar configurations (1-3 storeys with parking either to the side or to the front)</p>
<p>6.9.2.5 The following guidelines shall be considered when evaluating the proposed design of a Mixed-Use development:</p> <p>(a) the ability to achieve the associated policies as outlined in the Urban Design chapter of this Plan;</p> <p>(b) the mass, scale, orientation, form, and siting of the development achieves a compact urban form and a pedestrian friendly environment;</p> <p>(c) at least one building wall should be located on an exterior lot line and oriented to the street to afford direct sidewalk pedestrian access from the public right-of-way;</p> <p>(d) permanent loading, service and parking areas should be located so as not to significantly interrupt the pedestrian circulation or traffic flow on the public right-of-way or within a Mixed-Use area;</p> <p>(e) mid-block vehicular access to properties is generally discouraged and is encouraged via a rear yard service road or alley;</p> <p>(f) parking areas shall be encouraged at the rear of buildings;</p> <p>(g) safe and convenient pedestrian access between buildings and public transportation stops, parking areas and other buildings and facilities should be provided;</p> <p>(h) the development is designed to foster distinctive and attractive area identity;</p>	<p>The infill is a compact urban form suitable to the character of the neighbourhood in terms of scale, massing, setbacks, orientation, form, siting.</p> <p>A dedicated pedestrian pathway is proposed from Wyandotte Street to the front entrance of the building thereby facilitating pedestrian movement. The parking area at the front does not infringe upon this connection.</p> <p>The parking area cannot be accessed through the alleyway in the back as it is not paved. The site can only be accessed off of Wyandotte Street.</p> <p>The proposed configuration of the building strives to strike a balance between providing for residential use in conformity with the character of the adjacent residential and commercial areas (ranging from single to 3 storeys) while striving to optimize the narrow site.</p> <p>Thus, the parking is located at the front of the building. There are several precedents in the area with parking areas located either at the front or to the side of the building and that are visible from the street.</p>

<p>(i) the public rights-of-way are designed to foster distinctive and attractive area identity and to provide for vehicle use, regular public transportation service as well as pedestrian and cycling travel; and</p> <p>(j) integration of the development with the surrounding uses to contribute to the unique character of the area.</p>	
<p>8.7.2.3 Infill Development</p> <p>Council will ensure that proposed development within an established neighbourhood is designed to function as an integral and complementary part of that area's existing development pattern by having regard for:</p> <p>(a) massing;</p> <p>(b) building height;</p> <p>(c) architectural proportion;</p> <p>(d) volumes of defined space;</p> <p>(e) lot size;</p> <p>(f) position relative to the road;</p> <p>(g) building area to site area ratios.</p> <p>(h) the pattern, scale and character of existing development;</p>	<p>Massing – the proposed building will be limited to 2.5 storeys which will blend well with the scale, massing, height and architectural proportions of the existing surrounding area comprised of a mixture of 1-3 storey residential and commercial developments.</p> <p>Lot size – this development requires a small reduction in the lot frontage; however, the minimum lot area is being met for this type of development. The lot directly to the west has the same narrower frontage while two lots to the east are even narrower with the frontages of 13.97 m and 14.63 m.</p> <p>Building areas and other defined spaces comply with minimum setbacks and lot coverage as per the Zoning By-law. The parking area will be constructed according to City standards and with appropriate landscaping.</p> <p>The position of the building relative to the road is similar to adjacent residential and commercial developments. The proposed building will be located where the existing dwelling is currently located.</p> <p>Pattern, scale and character – the style of development will be limited to low density which will blend well with scale and massing of the existing built-up area.</p>
<p>8.7.2.5 Council will require new development to support the creation of continuous building facades along</p>	<p>The proposed building is not intended for community facilities, retail shops, and other frequently visited uses and thus the</p>

Mainstreets through the street level presence of: (a) community facilities, retail shops, and other frequently visited uses; and (b) architectural features and elements which can be experienced by pedestrians	alignment of the building faced and street is not critical There is a direct dedicated link from the building to the street in order to facilitate pedestrian access
--	---

Thus, the proposed change to Zoning By-law 8600 conforms to the general policy direction of the Official Plan.

Zoning By-Law:

The site is zoned Residential District 2.2 (RD2.2) within By-law 8600. The proposed Multiple Dwelling is currently permitted (up to 4 units); however, the applicant proposes that the land be rezoned to RD2.5 Residential District with site-specific provisions to permit the proposed Multiple Dwelling structure for 6 units that would allow the building to be located as per the applicant's concept plan. The RD2.5 zone permits essentially the same uses as the existing RD2.2 (single-family dwelling, semi-detached dwelling, duplex and double duplex, townhomes) however, the number of units in the Multiple Dwelling structure is limited by the density provision, or the lot area requirement per unit.

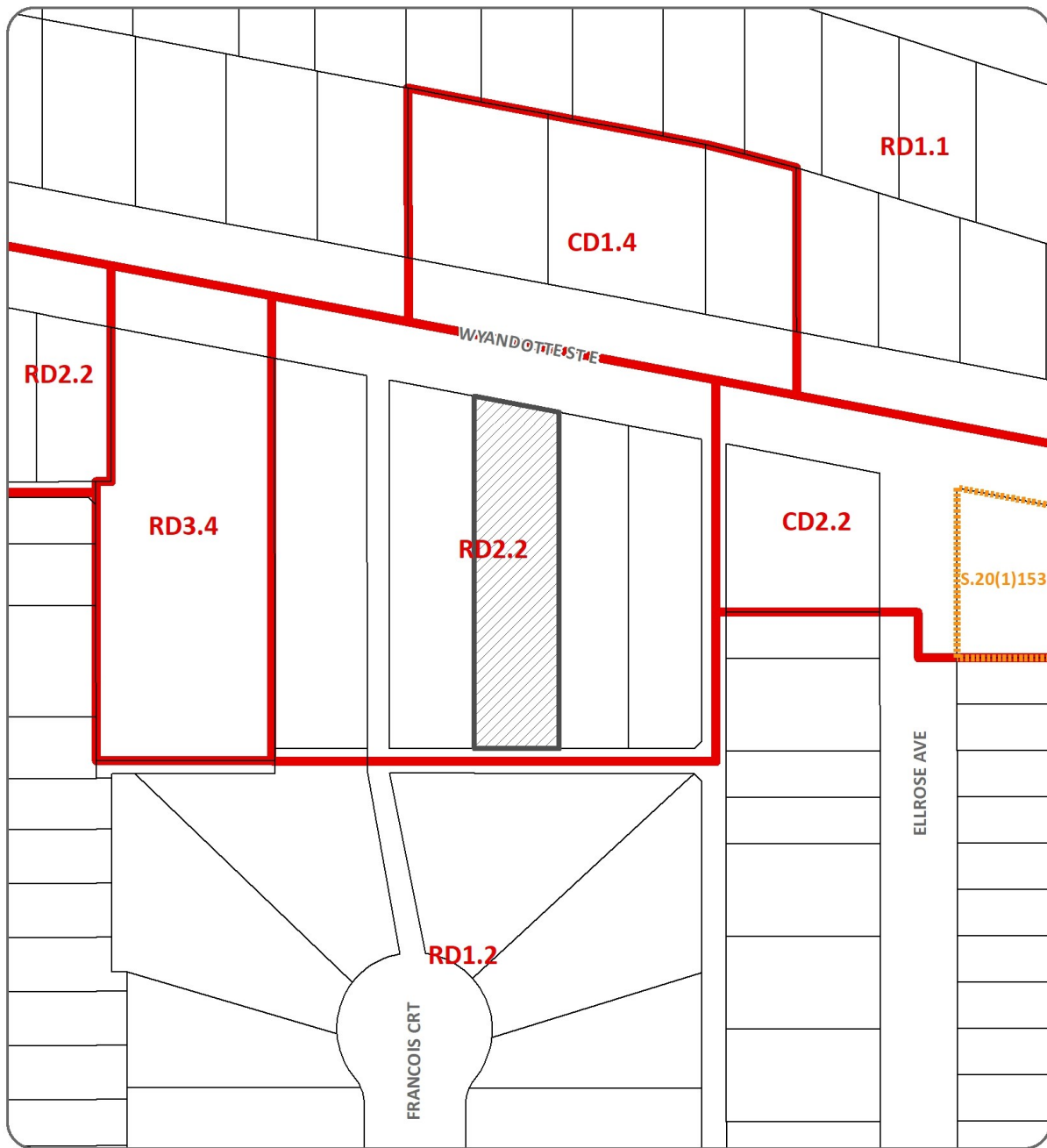
A review of the RD2.5 zone provisions, as set out in Section 11.5.5 of the ZBL is as follows:

Residential District 2.5 (RD2.5) Provisions	Required	Proposal
Min Lot Width (Frontage)	20 m	16.76 m (approx.) Existing The frontage is reduced; however, the minimum lot area is being met for this type of development. The lot directly to the west has the same narrower frontage while two lots to the east are even narrower with the frontages of 13.97 m and 14.63 m.
Min Lot Area – per dwelling unit	166 m ² x 6 = 996 m ²	1,140.03 m ² Complies
Max Lot Coverage	50%	23% Complies
Main Building Height	7 m min 18 m max	8.5 m Complies

Front Yard Depth min / max	6 m min / 7 m max	29.10 m (approx.) Parking will be provided at the front as the site cannot be accessed from the alleyway in the back; this configuration of the building requires that the parking be located at the front as there is no room for side yard access to the parking in the back
Min Rear Yard Depth	7.5 m	12.30 m Complies
Min Side Yard Depth	1.5 m	2.5 m – east Complies 2.5 m – west Complies

Therefore, the proposed development will comply with all zone provisions set out in the RD2.5 Zone, with the exception of the following:

1. decrease the minimum lot width (frontage) from the required 20 m to 16.76 m, and
2. increase the maximum front yard depth from the required 7 m to 29.10 m.

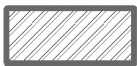


PART OF ZONING DISTRICT MAP 10

N.T.S.

REZONING

Applicant: Anni Mousheekh



SUBJECT LANDS

PLANNING & BUILDING DEPARTMENT



DATE : APRIL 2021
FILE NO. : Z-043/20, ZNG/6163

Proposed Use:

The applicant proposes to re-develop the Site for residential purposes and construct a new 6-unit Multiple Dwelling on three levels in total (2.5 storeys above grade). Each unit

will be a 2-bedroom unit. The total height of the building will be 8.5 m. The existing dwelling and accessory structures will be demolished. The new building will be located approximately where the existing dwelling is currently located.

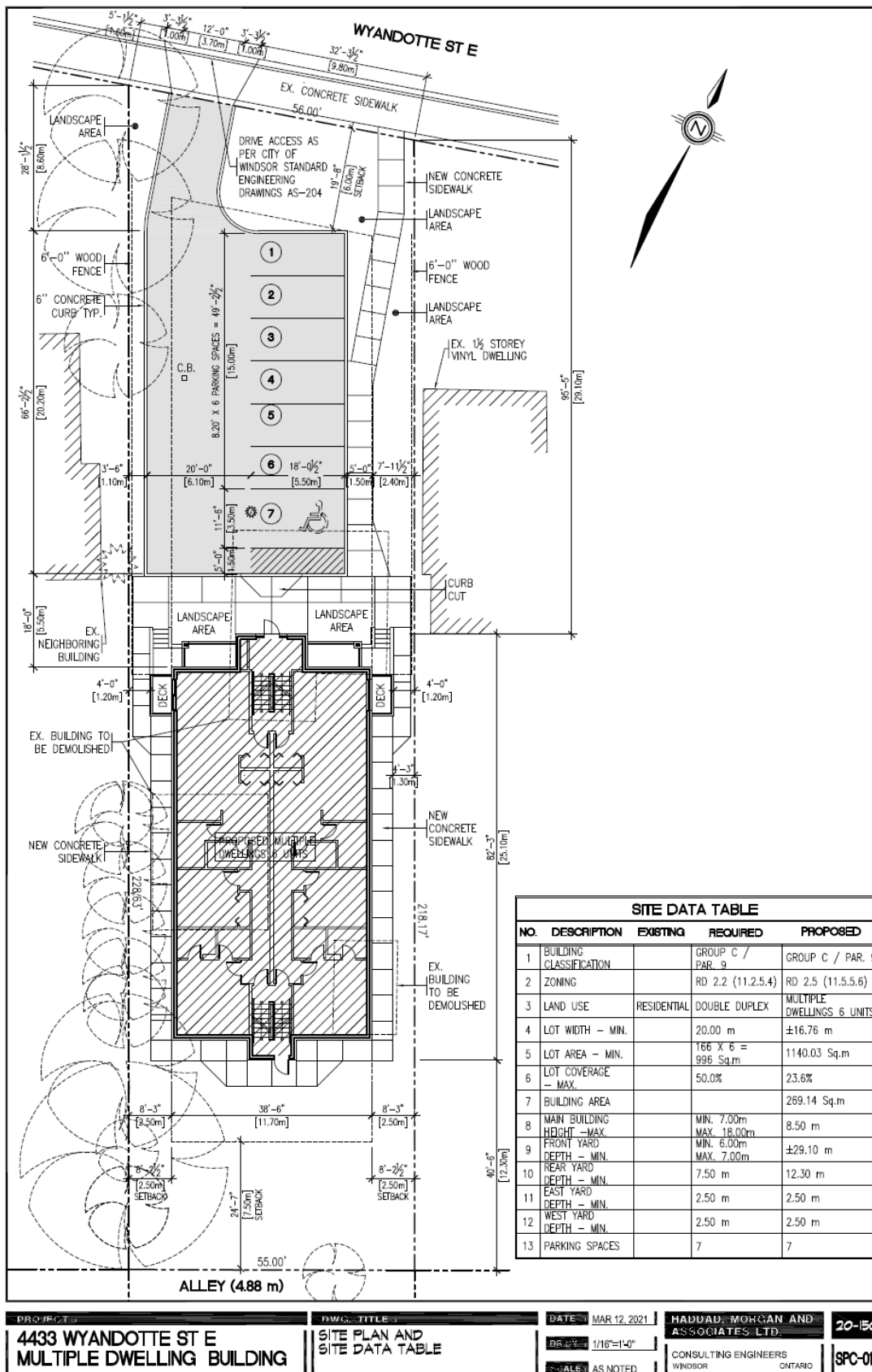
The proposed building area will be 269.14 sq m. The total lot coverage proposed is 23.6%. The total density is 52.63 units per ha, based on 0.114 ha Site size.

The proposed parking area will be located on the north with access from Wyandotte Street East. A total of seven (7) parking spaces are proposed, with one (1) being barrier-free. The building will face Wyandotte Street East with a concrete sidewalk leading to the entrance along with a landscape area.

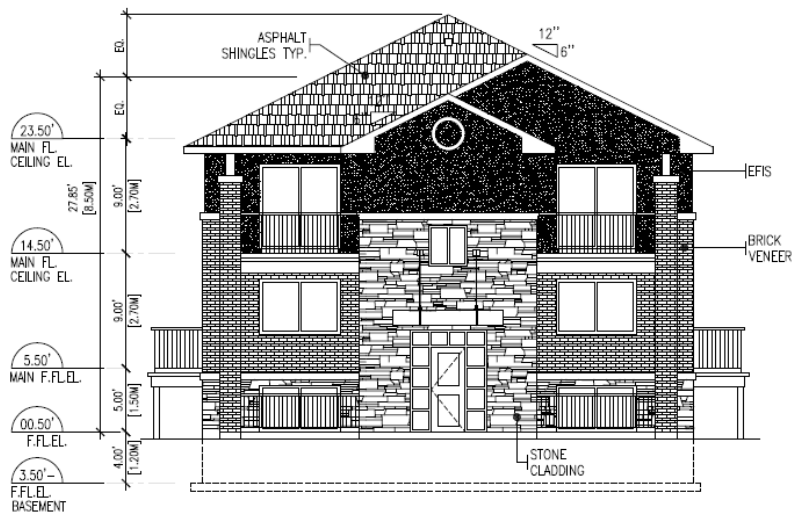
The Site will be landscaped using the existing trees. A new privacy fence will be constructed along the side and rear lot lines.

The building will also have a rear entrance leading to the amenity space in the rear.

The required land conveyance of 1.8 m for roadway widening purposes will be dealt with at the site plan stage.

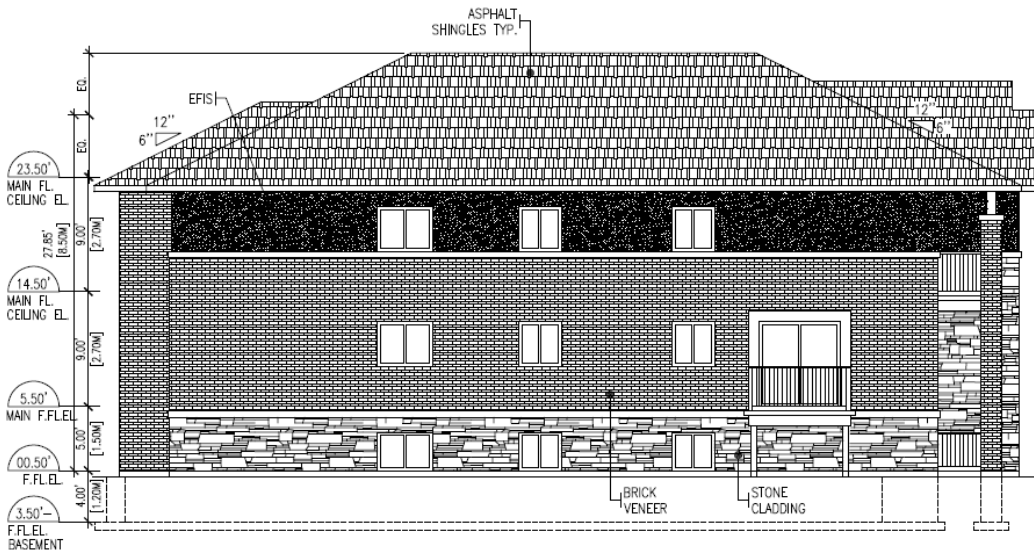


Concept Plan - Z-043/20 ZNG/6163



1 NORTH ELEVATION

SPC-05 1/8"=1'-0"



2 EAST ELEVATION

SPC-05 1/8"=1'-0"

PROJECT:	DWG. TITLE:	DATE:	HADDAD, MORGAN AND ASSOCIATES LTD.	20-150
4433 WYANDOTTE ST E	ELEVATIONS	MAR 12, 2021	CONSULTING ENGINEERS	SPC-05
MULTIPLE DWELLING BUILDING		DR. SA	WINDSOR ONTARIO	
		SCALE: AS NOTED		

Elevations - Z-043/20 ZNG/6163

Interim Control By-law 103-2020:

The parcel is subject to Residential Interim Control By-law 103-2020 (RICBL) which prohibits a Group Home, Lodging House, a Shelter, and a dwelling with five or more dwelling units throughout the City of Windsor to allow a land-use study to be conducted.

Council Resolution 364/2020 directs that the land-use study considers, among other things, residential density. Given the site is the designated Mixed-Use and is located on an arterial road with limited exposure to low-density residential uses, the Planning Department does not anticipate any conflict between the proposed development and the land-use study.

Section 2(1) of B/L 103-2020 exempts a parcel from the provisions of RICBL where an amending by-law to Zoning By-law 8600 to permit a dwelling with five or more dwelling units comes into force on or after January 1, 2017. Should this application be approved, and an amending by-law comes into force, the proposed development will be automatically exempt from Interim Control By-law 103-2020. Notwithstanding the automatic exemption, Recommendation 2 confirms that the development will be exempt from Interim Control By-law 103-2020.

Risk Analysis:

N/A

Financial Matters:

N/A

Consultations:

Comments received from municipal departments and external agencies are attached as Appendix "A" to this report.

Public Notice:

The statutory notice required under the Planning Act was provided in the Windsor Star. In addition, all properties within 120m (400 feet) of the subject parcel received courtesy notice by mail prior to the Development & Heritage Standing Committee Meeting (DHSC) meeting.

Conclusion:**Planner's Opinion and Conclusions:**

The proposed redevelopment of this site into a Multiple Dwelling structure comprised of six units represents an efficient development that will have no adverse impact on the financial well-being of the City of Windsor. The proposed development represents an appropriate residential use suitable to this neighbourhood; it adds to the range of

building types, and will not cause any environmental or public health and safety concerns.

The proposed Multiple Dwelling adds to the existing mix of residential types and increases density; it is an infill development that utilizes the existing infrastructure and is located in close proximity to amenities and commercial uses. This development meets the needs of current and future residents by increasing housing options and it promotes the walkability and minimization of vehicle trips as it is on a transit route. This development is consistent with the Provincial Policy Statement.

The proposed amendment conforms to the policy direction of the City of Windsor Official Plan, is compatible with existing and permitted uses in the surrounding neighbourhood and constitutes good planning.

Planning Act Matters:

Melissa Gasic, BArch, MPI

Planner II

I concur with the above comments and opinion of the Candidate Planner.

Thom Hunt, City Planner

I am not a registered Planner and have reviewed as a Corporate Team Leader

SAH JR

Approvals:

Name	Title
Neil Robertson	Manager of Urban Design/Deputy City Planner
Thom Hunt	City Planner
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Tracey Pillon-Abbs, RPP		tpillonabbs@gmail.com

Name	Address	Email
Hadad, Morgan and Associates Ltd.		haddad@haddadmorgan.com
Anni Mousheekh		marta_maral@yahoo.com
Councillor Sleiman		

Appendices:

- 1 Appendix A – Agency Comments ZNG6163
- 2 Appendix B – Draft Zoning Bylaw Amendment
- 3 Appendix C – Ground Floor Plan (typical)

Appendix A – Agency Comments ZNG6218

EnWin:

Hydro Engineering: No Objection, provided adequate clearances are achieved and maintained.

ENWIN has existing overhead pole lines along the north limits with 27,600 volt primary and 120/240 volt secondary hydro distribution.

ENWIN has an existing 120/240 volt overhead service line to 4433 Wyandotte along the north east limits.

Prior to working in these areas, we would suggest notifying your contractor and referring to the Occupational Health and Safety Act and Regulations for Construction Projects to confirm clearance requirements during construction.

Also, we suggest referring to the Ontario Building Code for permanent required clearances for New Building Construction.

Water Engineering: Water Engineering has no objections to the rezoning.

Transit Windsor:

Transit Windsor has no objections. The closest existing transit route to this development is with our Crosstown 2 route. The closest existing bus stop is located on Wyandotte at Jos Janisse SE Corner. It is located approximately 90 metres away from this property, falling well within our 400-metre walking distance guideline to a bus stop. This remains unchanged with our Council approved Transit Master Plan. We would prefer if the building was at the road and the parking lot behind to help encourage transit use, as well as active transportation reducing the walking distance from the building to the road.

Public Works:

The subject lands are located at 4433 Wyandotte St. E is currently zoned Residential District 2.2 (RD2.2) by Zoning By-Law 8600. The Applicant is requesting an amendment the zoning to a site-specific Residential District 2.5 (RD2.5), to allow for the construction of a Multiple Dwelling development with 6 units. We have reviewed the servicing requirements of the subject lands pertinent to this application, and offer the following comments: Sewers: The site may be serviced by a 250mm sanitary sewer and a 450mm storm sewer on Wyandotte Street East. A storm water management report is required in accordance with the regional guidelines for the entire site. The applicant is required to provide video inspection of the existing connections in order to determine if they are fit for re-use. Any redundant sewer connections will have to be abandoned in accordance with City of Windsor Engineering Best Practice B.P.1.3.3. Right-of-Way - Schedule X classifies Wyandotte Street East as a Class II Arterial road, requiring a right-of-way width of 28m. The current road width is 24.4m, therefore a land conveyance of 1.8m is required. There is an existing utility pole located within proposed driveway approach. Reconfiguration of the approach should be considered. Relocation of existing utility services is the sole responsibility of the property owner. Driveway approach to be constructed as per AS-222. There is a closed alley at the rear of the property which the applicant will be required to acquire. The applicant will be required to obtain a permit for any work within the Right-of-Way. In summary we have no objection to the proposed

Zoning and Official Plan amendments. The Engineering Department recommends the following conditions be included as requirements of the zoning amendment approval (conditions can be imposed at the time of site plan control): Site Plan Control Agreement - The applicant enter into an agreement with the City of Windsor for all requirements under the General Provisions of the Site Plan Control Agreement for the Engineering Department.

Redundant Curb Cuts – The owner agrees to remove and replace any redundant curb cuts fronting Windsor Avenue with full height curb to the satisfaction of the City Engineer. Alley Acquisition – The owner shall agree prior to issuance of a Building Permit, to acquire any portion of the closed alley abutting the property that is not currently owned by the applicant. Land Conveyance – Prior to the issuance of a construction permit, the owner (s) shall agree to gratuitously convey to the Corporation, land sufficient to create 28 metre wide right-of-way on Wyandotte St E. This conveyance shall be approximately 1.8 metres along the entire [Wyandotte Street East] frontage of the subject lands.

Transportation Planning:

- Schedule X of the Official Plan classifies Wyandotte Street East as a Class II Arterial road with a required right-of-way width of 28 metres. The current right-of-way width is 24.4 metres; therefore a land conveyance of 1.8 metres is required.
- All exterior paths of travel must meet the requirements of the *Accessibility for Ontarians with Disabilities Act* (AODA).
- All accesses shall conform to the TAC Geometric Design Guide for Canadian Roads and the City of Windsor Standard Engineering Drawings (AS-203 or AS-204).

Building Division:

Comments from the City of Windsor, Building Division relating to the subject line matter are as follows:

The Building Code Act, Section 8.(1) requires that a building permit be issued by the Chief Building Official for any construction or demolition of a building. It is strongly recommended that the owner and/or applicant contact the Building Division to determine building permit needs for the proposed project. The City of Windsor Building Division can be reached by phone at 519-255-6267 or through email at buildingdept@citywindsor.ca

Heritage Planning:

The subject property is located on an area of low archaeological potential.

Nevertheless, the Applicant should be notified of the following archaeological precaution:

1. Should archaeological resources be found during grading, construction or soil removal activities, all work in the area must stop immediately and the City's Planning & Building Department, the City's Manager of Cultural Affairs, and the Ontario Ministry of

Heritage, Sport, Tourism and Culture Industries must be notified and confirm satisfaction of any archaeological requirements before work can recommence.

2. In the event that human remains are encountered during grading, construction or soil removal activities, all work in that area must be stopped immediately and the site secured. The local police or coroner must be contacted to determine whether or not the skeletal remains are human, and whether the remains constitute a part of a crime scene. The Local police or coroner will then notify the Ontario Ministry of Heritage, Sport, Tourism and Culture Industries and the Registrar at the Ministry of Government and Consumer Services if needed, and notification and satisfactory confirmation be given by the Ministry of Heritage, Sport, Tourism and Culture Industries.

Contacts:

Windsor Planning & Building Department:

519-255-6543 x6179,
[planningdept@citywindsor.ca]planningdept@citywindsor.ca

Windsor Manager of Cultural Affairs:

Cathy Masterson, 519-253-2300x2724, cmasterson@citywindsor.ca

Ontario Ministry of Heritage, Sport, Tourism and Culture Industries

Archaeology Programs Unit, 1-416-212-8886, Archaeology@ontario.ca

Windsor Police: 911

Ontario Ministry of Government & Consumer Services

Registrar of Burial Sites, War Graves, Abandoned Cemeteries and Cemetery Closures,
1-416-212-7499, nancy.watkins@ontario.ca

Landscape Comments:

XX

Enbridge:

After reviewing the provided drawing at 4433 Wyandotte St E. and consulting our mapping system, please note that Enbridge Gas has active infrastructure in the proposed area. A PDF drawing has been attached for reference.

Please Note:

1. The shown piping locations are approximate and for information purposes only
2. The drawings are not to scale

3. This drawing does not replace field locates. Please contact Ontario One Call for onsite locates prior to excavating, digging, etc

Enbridge Gas requires a minimum separation of 0.3m from all of our plant. Please ensure that this minimum separation requirement is maintained, and that the contractor obtains locates prior to performing any work and utilizes safe excavation practices while performing any work in the vicinity.

Also, please note the following should you find any abandoned infrastructure in the area:

- Any pipe that is excavated, please assume that it is live
- If during the course of any job, any pipe is found that is not on the locate sheet and is in conflict with your work, please call our emergency number (1-877-969-0999), and one of our Union Gas representatives will respond to determine if that plant is in fact live or dead
- Please note that our Enbridge Gas representative will respond to the live or dead call within 1-4 hours, so please plan your work accordingly

Please contact me if you have any further questions or concerns.

Gord Joynson
Drafter/Estimator
Enbridge Gas
Construction & Growth
1 (519) 250-2200 Ex: 5296717
Gord.Joynson@enbridge.com
3840 Rhodes Dr, Windsor, ON

Canada Post:

Canada Post's multi-unit policy, which requires that the owner/developer provide the centralized mail facility (front loading lockbox assembly or rear-loading mailroom [mandatory for 100 units or more]), at their own expense, will be in effect for buildings and complexes with a common lobby, common indoor or sheltered space.

Appendix B – Draft Zoning By-law Amendment

BY - LAW NUMBER -2020

A BY-LAW TO FURTHER AMEND BY-LAW NUMBER
8600 CITED AS THE "CITY OF WINDSOR ZONING BY-
LAW"

Passed the day of , 2020.

WHEREAS it is deemed expedient to further amend By-law Number 8600 of the Council of The Corporation of the City of Windsor, cited as the "City of Windsor Zoning By-law" passed the 31st day of March, 1986, as heretofore amended:

THEREFORE, the Council of The Corporation of the City of Windsor enacts as follows:

1. By-law Number 8600 is further amended by changing the Zoning District Maps or parts thereof referred to in Section 1, of the by-law and made part thereof, so that the zoning district symbol of the lands described in Column 3 shall be changed from that shown in Column 5 to that shown in Column 6:

1. Item Number	2. Zoning District Map Part	3. Lands Affected	4. Official Plan Amendment Number	5. Zoning Symbol	6. New Zoning Symbol
1	10	LOT 25 (PLAN 1492), Known Municipally as 4433 Wyandotte Street East		RD2.2	RD2.5

2. That subsection 1 of Section 20, of said by-law, is amended by adding the following paragraph:

“xxx. For the lands comprising of LOT 25 (PLAN 1492), Known Municipally as 4433 Wyandotte Street East the following additional regulations shall apply:

a) Lot width (frontage) – minimum 16.76 m

b) Front yard depth – maximum 29.10 m

3. The said by-law is further amended by changing the Zoning District Maps or parts thereof referred to in Section 1, of said by-law and made part thereof, so that the lands described in Column 3 are delineated by a broken line and further identified by the zoning symbol shown in Column 5:

1. Item	2. Zoning	3. Lands Affected	4. Official Plan	5. Zoning Symbol
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Number	District Map Part	Amendment Number
1	10	LOT 25 (PLAN 1492), Known Municipally as 4433 Wyandotte Street East
		S.20(1)xxx

DREW DILKENS, MAYOR

CLERK

First Reading - , 2020
Second Reading - , 2020
Third Reading - , 2020

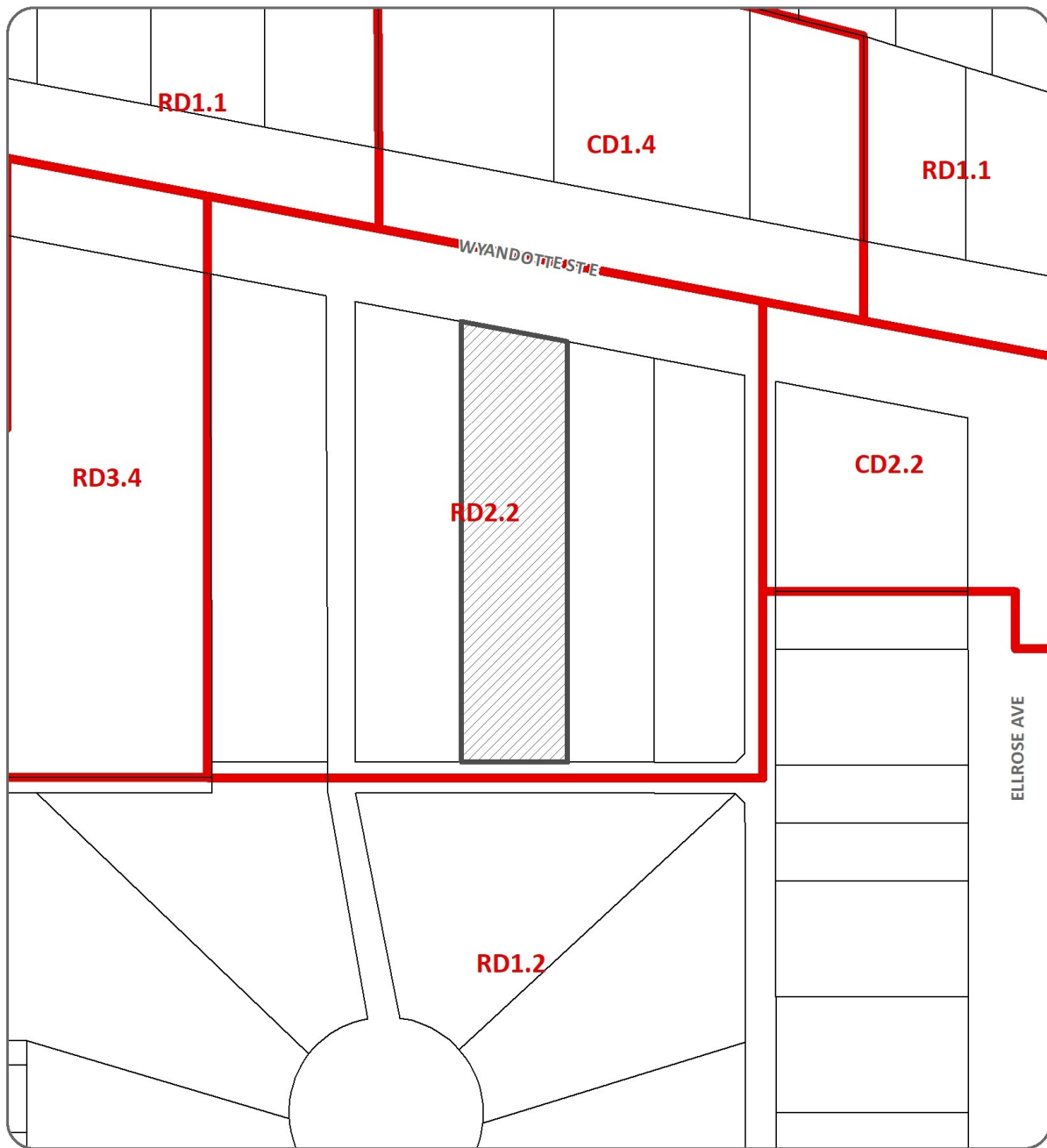
SCHEDULE 2

1. By-law _____ has the following purpose and effect:

To amend the zoning of LOT 25 (PLAN 1492), Known Municipally as 4433 Wyandotte Street East *with site specific regulations* as follow:

- i. Lot width (frontage) – minimum 16.76 m
- ii. Front yard depth – maximum 29.10 m

2. Key map showing the location of the lands to which By-law _____ applies.

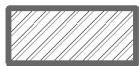


PART OF ZONING DISTRICT MAP 10

N.T.S.

SCHEDULE 2

Applicant: Anni Mousheekh



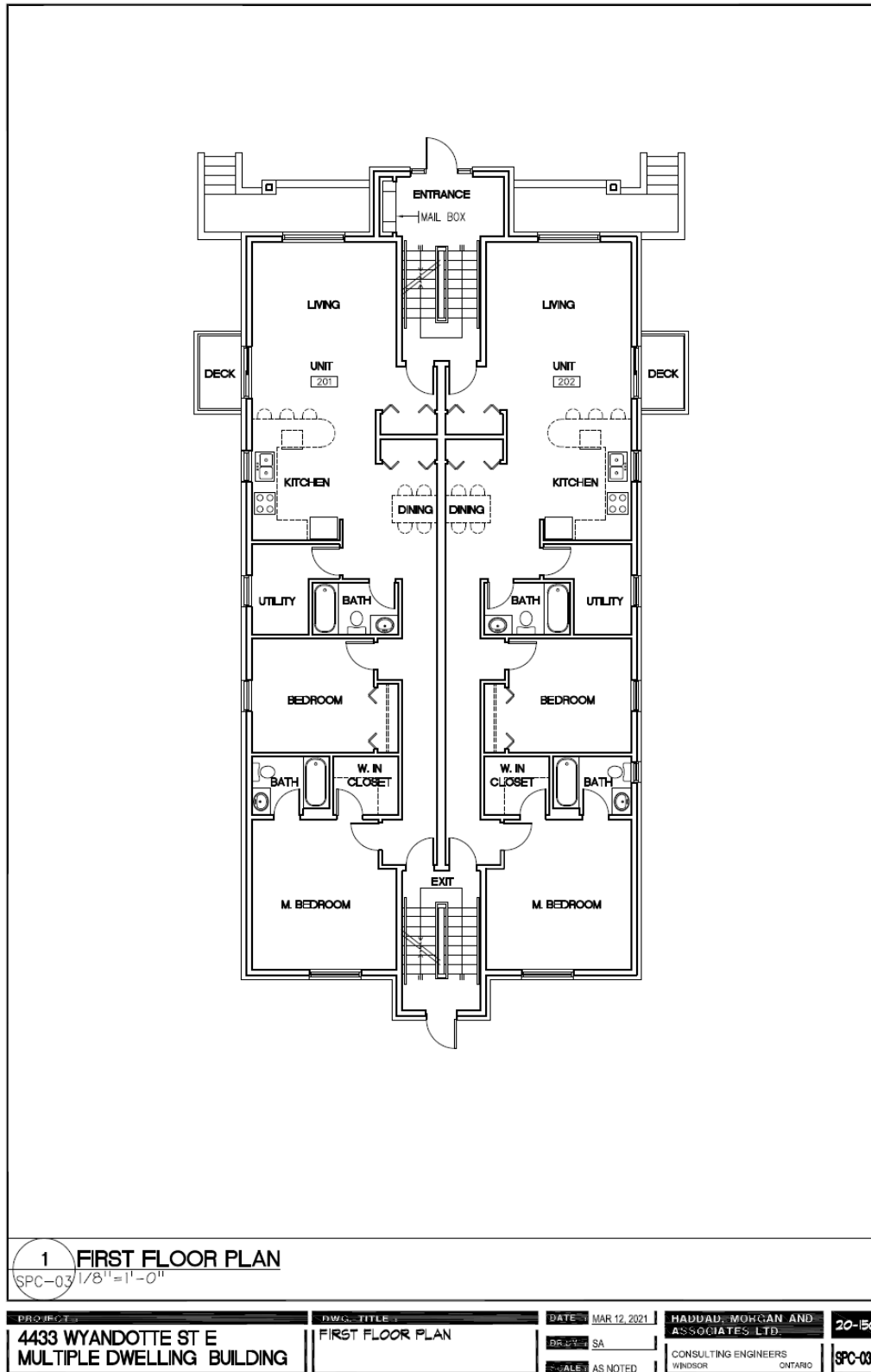
SUBJECT LANDS

PLANNING & BUILDING DEPARTMENT



DATE : APRIL 2021
FILE NO. : Z-043/20, ZNG/6163

Appendix C – Ground Floor Plan (typical)



Ground Floor Plan - Z-043/20 ZNG/6163



Committee Matters: SCM 172/2021

Subject: Zoning By-law Amendment to permit a Multiple Dwelling Development - 2676 Grand Marais Road West ZNG-040/20 [ZNG/6251] - JMV Holdings Ltd., - Ward 10

Moved by: Councillor Holt
Seconded by: Member Gyemi

Decision Number: **DHSC 281**

- I. THAT an amendment to City of Windsor Zoning By-law 8600 **BE APPROVED**, changing the zoning of Lot 35, Part of Lots 3, 31 to 36 (Incl.), & Part of Blocks 'C & D' Registered Plan 1290 in the City of Windsor, known municipally as 2676 Grand Marais Road West; from Commercial District 4.1 (CD4.1) to Residential 2.5 (RD2.5); and,
- II. THAT a portion of Lot 35, Part of Lots 3, 31 to 36 (Incl.), & Part of Blocks 'C & D' Registered Plan 1290 in the City of Windsor, known municipally as 2676 Grand Marais Road West; subject to rezoning ZNG-040/20 [ZNG/6251] **BE EXEMPT** from Interim Control By-law 103-2020.

Carried.

Report Number: S 45/2021
Clerk's File: ZB/14062

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 7.3 from the Development and Heritage Standing Committee held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

Subject: Zoning By-law Amendment to permit a Multiple Dwelling Development - 2676 Grand Marais Road West ZNG-040/20 [ZNG/6251]- JMV Holdings Ltd., - Ward 10

Reference:

Date to Council: May 10, 2021
Author: Jim Abbs
Senior Planner
255-6543 x6317
jabbs@citywindsor.ca

Planning & Building Services
Report Date: April 21, 2021
Clerk's File #: ZB/14062

To: Mayor and Members of City Council

Recommendation:

- I. THAT an amendment to City of Windsor Zoning By-law 8600 **BE APPROVED**, changing the zoning of Lot 35, Part of Lots 3, 31 to 36 (Incl.), & Part of Blocks 'C & D' Registered Plan 1290 in the City of Windsor, known municipally as 2676 Grand Marais Road West; from Commercial District 4.1 (CD4.1) to Residential 2.5 (RD2.5); and,
- II. THAT that a portion of Lot 35, Part of Lots 3, 31 to 36 (Incl.), & Part of Blocks 'C & D' Registered Plan 1290 in the City of Windsor, known municipally as 2676 Grand Marais Road West; subject to rezoning ZNG-040/20 [ZNG/6251] **BE EXEMPT** from Interim Control By-law 103-2020.

Executive Summary:

N/A

Background:

Application Information:

Location: 2676 Grand Marais Road West

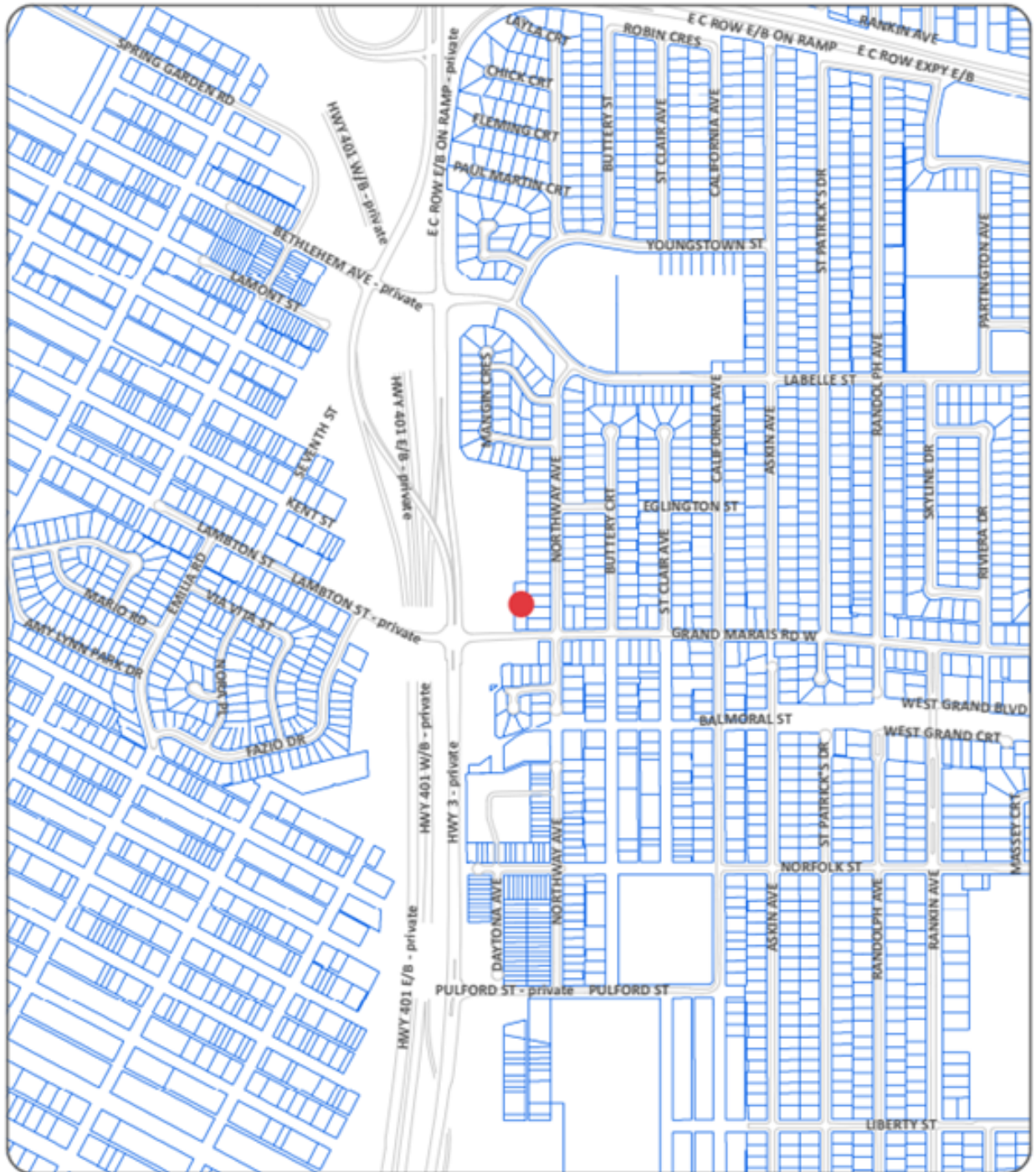
Ward: 10

Planning District: 15 – South Windsor

ZDM: 5

Owner: JMV Holdings Ltd. (Mike Mihai)

Agent: Sfera Architectural Associates Inc. Architect (John Bortototti)



KEY MAP - Z-040/20



● SUBJECT LANDS

Location Map ZNG-040/20 [ZNG/6251]

The applicant proposes interior renovations to an existing structure to create 6 dwelling units. No new buildings or additions are proposed.

[illegible]

Site Information:

OFFICIAL PLAN	ZONING	CURRENT USE	PREVIOUS USE
Residential	Commerial District 4.1 (CD 4.1)	Vacant Music School	n/a
LOT WIDTH	LOT DEPTH	AREA	SHAPE
19.15 m	76.62m	1518.3 m ²	rectangular
All measurements are for the entire parcel and are approximate.			

Neighbourhood Characteristics:

The proposed development fronts Grand Marais Road, east of the Grand Marais/Highway 3 intersection. The Grand Marais Road Road / Northway Avenue intersection in this location consists of predominantly single detached residential uses.

Grand Marais Road is classified as a Class 1 Collector road. The subject property fronts on a segment of Grand Marais Road (between Highway 3 to Northway Avenue) which was assumed by the Ontario Ministry of Transportation (MTO) in Dec. 10/2010. Currently the site is served by the Dominion 5 Transit Windsor route.

Surrounding Land Uses:

- a) North – MTO right of way, single detached dwellings;
- b) East –single detached dwellings;
- c) South – MTO right of way and single detached dwellings;
- d) West – MTO right of way (Highway 3).



NEIGHBOURHOOD MAP - Z-040/20



SUBJECT LANDS

Discussion:

Planning Analysis:

Provincial Policy Statement (PPS) 2020:

The Provincial Policy Statement, (PPS) 2020 provides direction on matters of provincial interest related to land use planning and development and sets the policy foundation for regulating the development and use of land in Ontario.

The zoning bylaw amendment would result in a residential redevelopment. This development can be considered a development on underutilized or vacant land within the context of an existing urban or built up area. This proposed development is consistent with the Provincial Policy Statement in that the development promotes the efficient use of existing land, promotes cost-effective development patterns and standards to minimize land consumption and servicing costs. Related to this direction, the PPS states:

“1.1.1(b) accommodating an appropriate range and mix of residential (including second units, affordable housing and housing for older persons), employment (including industrial commercial), institutional (including places of worship, cemeteries and long-term care homes), recreation, park and open space, and other uses to meet long-term needs”

e) promoting cost-effective development patterns and standards to minimize land consumption and servicing costs;”

The requested Multiple Dwelling development promotes cost-effective development by redeveloping an under-utilized site. Allowing the proposed zoning bylaw amendment in this location contributes to minimizing land consumption and servicing costs by using a site that already has available infrastructure in the immediate area.

The PPS also states:

“1.1.2 Sufficient land shall be made available to accommodate an appropriate range and mix of land uses to meet projected needs for a time horizon of up to 20 years.”

The PPS requires that land be available to diversify developments to meet the future needs of the community. The zoning by-law amendment is consistent with that requirement by accommodating residential development on lands designated for that purpose.

The PPS also states:

“1.4.1 To provide for an appropriate range and mix of housing types and densities required to meet projected requirements of current and future residents of the regional market area, planning authorities shall:

- a. maintain at all times the ability to accommodate residential growth for a minimum of 10 years through residential intensification and redevelopment and, if necessary, lands which are designated and available for residential development; and
- b. maintain at all times where new development is to occur, land with servicing capacity sufficient to provide at least a three-year supply of residential units available through lands suitably zoned to facilitate residential intensification and redevelopment, and land in draft approved and registered plans.”

The requested zoning bylaw amendment is consistent with the PPS by developing residential dwelling units on a site that was previously used a commercial development that did not conform the Official Plan. This development will help to provide additional residential inventory within the City of Windsor.

The PPS also states:

“1.4.3 Planning authorities shall provide for an appropriate range and mix of housing types and densities to meet projected requirements of current and future residents of the regional market area by:

- a. permitting and facilitating:
 1. all forms of housing required to meet the social, health and well-being requirements of current and future residents, including special needs requirements; and
 2. all forms of residential intensification, including second units, and redevelopment in accordance with policy 1.1.3.3;
- b. directing the development of new housing towards locations where appropriate levels of infrastructure and public service facilities are or will be available to support current and projected needs;
- c. promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities, and support the use of active transportation and transit in areas where it exists or is to be developed;”

Approving the zoning by-law amendment would support residential development using the infrastructure that is already in place, instead of requiring more expenditure on new infrastructure in a greenfield setting. In terms of supporting active transportation and transit, the site of the proposed zoning amendment is served by Transit Windsor.

Official Plan:

The City of Windsor Official Plan currently designates the site Residential. The proposed residential use conforms to the Residential designation. The City of Windsor Official Plan directs that infill development will be designed to function as an integral and complimentary part of an area’s existing development pattern by having regard for massing , building height, architectural proportion, volumes of defined space, lot size, position relative to the road, building area to site ratios, overall massing, orientation,

setback and exterior design the pattern, scale and character of existing development; and the exterior building appearance. By renovating an existing structure, the proponent is reusing a structure that is an integral part of the fabric of the existing neighbourhood.

Zoning By-Law:

The site is zoned Commercial District (CD) 4.1 within By-law 8600. The proposed Multiple Dwelling use is not permitted in this zone. The applicant is proposing that the site be rezoned to the Residential (RD) 2.5 zone that would permit the proposed renovation of the existing building into a Multiple Dwelling structure.

The current CD4.1 zone category is inconsistent with the current Residential Land use Designation. A CD4.1 zone is more commonly found in areas designated Commercial Corridor, and supports uses intended to serve the travelling public (i.e., Motor Vehicle Dealerships, Gas Bars, Restaurants). Uses contained in the CD4.1 zoned are generally not compatible with uses intended for an area designated Residential. This site was a unique case where the specific use of Music School (Commercial School) was deemed compatible with and would be unlikely to create a nuisance to the surrounding residential uses.

Moving this site to a zoning category (RD2.5) is appropriate, in that the proposed residential use is consistent with the existing Residential designation.

Interim Control By-law 103-2020:

The parcel is subject to Residential Interim Control By-law 103-2020 (RICBL) which prohibits a Group Home, Lodging House, a Shelter, and a dwelling with five or more dwelling units throughout the City of Windsor to allow a land use study to be conducted.

Section 2(1) of B/L 103-2020 exempts a parcel from the provisions of RICBL where an amending by-law to Zoning By-law 8600 to permit a dwelling with five or more dwelling units comes into force on or after January 1, 2017. Should this application be approved, and an amending by-law come into force, the proposed development will be automatically exempt from Interim Control By-law 103-2020. Notwithstanding the automatic exemption. Recommendation II of this report provides an exemption to By-law 103-2020.

Risk Analysis:

N/A

Climate Change Risks

Climate Change Mitigation:

The site represents a good example of the reuse of an existing building by converting it to residential. The site is serviced by bus, cycling routes and recreation corridors which all help to achieve higher modal splits while promoting active transportation opportunities and minimizing the City's carbon footprint.

Financial Matters:

N/A

Consultations:

Comments received from municipal departments and external agencies are attached as Appendix "A" to this report.

Public Notice:

The statutory notice required under the Planning Act was provided in the Windsor Star. In addition, all properties within 120m (400 feet) of the subject parcel received courtesy notice by mail prior to the Development & Heritage Standing Committee Meeting (DHSC) meeting.

Conclusion:

Planner's Opinion and Conclusions:

The proposed renovation of this existing structure into a residential development containing six dwelling units is an efficient development that will have no adverse impact on the financial well-being of the City of Windsor. The proposed development represents an appropriate residential use, adds to the range and mix of uses in the area, and will not cause any environmental or public health and safety concerns. This development is consistent with the Provincial Policy Statement.

The proposed Multiple Dwelling represents a housing type and density that meets the requirements of current and future residents, that meets the social, health and well-being of current and future residents, represents a form of residential intensification, is set in a location with access to infrastructure, public service facilities.

The amendments proposed in the recommendation of this report are consistent the PPS, with the policy direction of the City of Windsor Official Plan, is compatible with existing and permitted uses in the surrounding neighbourhood and constitutes good planning.

Planning Act Matters:

I concur with the above comments and opinion of the Registered Professional Planner.

Michael Cooke MCIP RPP, Manager of Planning Policy/Deputy City Planner

Thom Hunt MCIP RPP, City Planner

I am not a registered Planner and have reviewed as a Corporate Team Leader:

SAH JR

Approvals:

Name	Title
Michael Cooke	Manager of Planning Policy/Deputy City Planner
Thom Hunt	City Planner
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Sfera Architectural Associates Inc. Architect	4510 Rhodes Drive, Unit 220, Windsor ON	jbortototti@sferaarch.com
JMV Holdings Ltd. (Mike Mihai)	2676 Grand Marais Road West	vmihai54@yahoo.ca
Councillor Morrison		

Appendices:

- 1 Comments Z 040-20 [ZNG-6251] JMV Holdings Ltd. 2676 Grand Marais
- 2 Excerpt 8600 Z 040-20 [ZNG-6251] JMV Holdings Ltd 2676 Grand Marais Rd W
- 3 Site Images Z 040-20 [ZNG-6251] JMV Holdings Ltd 2676 Grand Marais Rd W

Transportation Planning:

- Grand Marais Rd is considered to be a Class I Collector per Schedule X of the Official Plan, with a required right-of-way of 30 meters. The current right-of-way is sufficient, therefore no conveyance is required.
- All accesses shall conform to the TAC Geometric Design Guide for Canadian Roads and the City of Windsor Standard Engineering Drawings.
- All exterior paths of travel must meet the requirements of the Accessibility for Ontarians with Disabilities Act (AODA).

Building:

The Building Code Act, Section 8.(1) requires that a building permit be issued by the Chief Building Official for any construction or demolition of a building. It is strongly recommended that the owner and/or applicant contact the Building Division to determine building permit needs for the proposed project. The City of Windsor Building Division can be reached by phone at 519-255-6267 or through email at buildingdept@citywindsor.ca

After review of the proposed project and in addition to the above noted requirements, it has been determined that prior to issuance of a Building Permit, a Record of Site Condition must be submitted and filed in the Environmental Site Registry in accordance with the Environmental Protection Act.

Heritage Planner:

The building is not of built heritage concern. The subject lands is located in an area of high archaeological potential, however, no exterior work is being proposed and therefore there are no archaeological concerns.

Transit Windsor

Transit Windsor has no objections to this development. Our closest existing transit route is with our Dominion 5. The closest existing bus stop is located on Grand Marais at Northway NE Corner. This bus stop is located approximately 70 metres away from this property falling well within our 400 metre walking distance guideline to a bus stop. This service will be further enhanced with our Council approved Transit Master Plan. A new local route will be introduced for this area that will provide 2 way conventional transit service vs the existing 1 way loop service.

Landscape Architect:

No objections from landscape architectural or Parks perspective. Note: Parkland Dedication Cash-in-Lieu applies at time of Permit.

Enbridge Gas:

After reviewing the provided drawing at 2676 Grand Marais Rd W. and consulting our mapping system, please note that Enbridge Gas has active infrastructure in the proposed area. A PDF drawing has been attached for reference.



Please Note:

1. The shown piping locations are approximate and for information purposes only
2. The drawings are not to scale
3. This drawing does not replace field locates. Please contact Ontario One Call for onsite locates prior to excavating, digging, etc

Enbridge Gas requires a minimum separation of 0.3m from all of our plant. Please ensure that this minimum separation requirement is maintained, and that the contractor obtains locates prior to performing any work and utilizes safe excavation practices while performing any work in the vicinity.

Also, please note the following should you find any abandoned infrastructure in the area:

- Any pipe that is excavated, please assume that it is live
- If during the course of any job, any pipe is found that is not on the locate sheet and is in conflict with your work, please call our emergency number (1-877-969-0999), and one of our Union Gas representatives will respond to determine if that plant is in fact live or dead
- Please note that our Enbridge Gas representative will respond to the live or dead call within 1-4 hours, so please plan your work accordingly

WFRS:

No concerns from WFRS to rezone.

11.5 RESIDENTIAL DISTRICT 2.5 (RD2.5)

11.5.1 PERMITTED USES

Double Duplex Dwelling

Duplex Dwelling

Multiple Dwelling

Semi-Detached Dwelling

Single Unit Dwelling

Townhome Dwelling

Any use accessory to the above uses

11.5.5 PROVISIONS

.1 Double Duplex Dwelling

.1	Lot Width – minimum / maximum	18.0 m / 24.0 m
.2	Lot Area – minimum / maximum	540.0 m ² / 840.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – minimum / maximum	7.0 m / 14.0 m
.5	Front Yard Depth – minimum / maximum	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	1.20 m

.2 Duplex Dwelling

.1	Lot Width – minimum / maximum	12.0 m / 15.0 m
.2	Lot Area – minimum / maximum	360.0 m ² / 525.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – minimum / maximum	7.0 m / 14.0 m
.5	Front Yard Depth – minimum / maximum	
	Detached <i>garage</i> or <i>carport</i> in <i>rear yard</i>	3.0 m / 4.0 m
	No detached <i>garage/carport</i> in <i>rear yard</i>	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	1.20 m

.3 Semi-Detached Dwelling

.1	Lot Width – minimum / maximum	15.0 m / 18.0 m
.2	Lot Area – minimum / maximum	450.0 m ² / 630.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – minimum / maximum	7.0 m / 14.0 m
.5	Front Yard Depth – minimum / maximum	
	Detached <i>garage</i> or <i>carport</i> in <i>rear yard</i>	3.0 m / 4.0 m
	No detached <i>garage/carport</i> in <i>rear yard</i>	6.0 m / 7.0 m

.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	1.20 m
.4	Single Unit Dwelling	
.1	Lot Width – minimum / maximum	9.0 m / 12.0 m
.2	Lot Area – minimum / maximum	270.0 m ² / 420.0 m ²
.3	Lot Coverage – maximum	45.0%
.4	Main Building Height – minimum / maximum	7.0 m / 14.0 m
.5	Front Yard Depth – minimum / maximum	
	Detached <i>garage</i> or <i>carport</i> in <i>rear yard</i>	3.0 m / 4.0 m
	No detached <i>garage/carport</i> in <i>rear yard</i>	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	1.20 m
.5	Multiple Dwelling with four <i>dwelling units</i> or less	
.1	Lot Width – minimum / maximum	18.0 m / 24.0 m
.2	Lot Area – minimum / maximum	540.0 m ² / 840.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – minimum / maximum	7.0 m / 14.0 m
.5	Front Yard Depth – minimum / maximum	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	1.20 m
.6	Multiple Dwelling with 5 or more <i>dwelling units</i>	
.1	Lot Width – minimum	20.0 m
.2	Lot Area – per <i>dwelling unit</i> – minimum	166.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – minimum / maximum	7.0 m / 18.0 m
.5	Front Yard Depth – minimum / maximum	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	2.50 m
.7	Townhome Dwelling	
.1	Lot Width – minimum	20.0 m
.2	Lot Area – per <i>dwelling unit</i> – minimum	190.0 m ²
.3	Lot Coverage – maximum	50.0%
.4	Main Building Height – maximum	14.0 m
.5	Front Yard Depth – minimum / maximum	6.0 m / 7.0 m
.6	Rear Yard Depth – minimum	7.50 m
.7	Side Yard Width – minimum	2.50 m

- .50 Notwithstanding Section 24, for a *townhome dwelling* unit that fronts a *street*, the required number of *parking spaces* shall be one *parking space* for each *dwelling unit*.
- .50 For all *dwelling*s, except a *Multiple Dwelling* with five or more *dwelling units*, the exterior walls shall be entirely finished in brick.
- .60 Where a *garage* forms part of the *main building*, no exterior wall enclosing the *garage* shall project more than 1.0 m beyond the front wall or side wall of the *dwelling*.

17.1 COMMERCIAL DISTRICT 4.1 (CD4.1)

17.1.1 PERMITTED USES

Ambulance Service
Automobile Collision Shop
Automobile Detailing Service
Automobile Repair Garage
Automobile Sales Lot
Building Materials Recycling Store
Business Office
Car Wash Automatic
Car Wash Coin-Operated
Commercial School
Contractor's Office
Equipment Rental Shop
Food Outlet - Drive-Through Food
Food Outlet - Take-Out
Funeral Establishment
Gas Bar
Hotel
Medical Appliance Facility
Medical Office
Micro-Brewery
Motor Vehicle Dealership
Personal Service Shop
Place of Entertainment and Recreation
Print Shop
Professional Studio
Public Hall
Public Parking Area
Repair Shop – Light
Restaurant
Restaurant with Drive-Through

Retail Store
Service Station
Temporary Outdoor Vendor's Site
Towing Service
Veterinary Office
Warehouse
Wholesale Store
Workshop

The following *existing* uses: Any use permitted in Section 18(1)(a)(i) to (v).
Any use accessory to the preceding uses.

17.1.5 PROVISIONS

.1	Lot Width – <i>Automobile Sales Lot</i> – minimum	30.0 m
.4	Main Building Height – maximum	20.0 m
.10	Gross Floor Area – <i>Workshop</i> – maximum	1,100.0 m ²



Figure 1: 2676 Grand Marais West - Nov. 2020 (Google Images)



Figure 2: Looking East from Grand Marais Rd. E / Highway #3 intersection Nov. 2020 (Google Images)



Figure 3: Looking West from intersection of Grand Marais Rd. W / Northway Avenue Nov. 2020 (Google Images)



Committee Matters: SCM 173/2021

Subject: S.W. & A. (Sandwich, Windsor & Amherstburg) Railway Car Barns, 1200-1220 University Avenue West – Request for Heritage Designation and Heritage Conservation Easement (Ward 3)

Moved by: Member Baker
Seconded by: Member Foot

Decision Number: **DHSC 282**

- I. THAT the City Clerk **BE AUTHORIZED** to publish a Notice of Intention to Designate the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns, 1200-1220 University Avenue West, in accordance with Part IV of the *Ontario Heritage Act* for the reasons attached in Appendix 'A'; and,
- II. THAT the Owner of 1200-1220 University Avenue West, 'The S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns', enter into a Heritage Conservation Easement with the City according to Section 37 of the *Ontario Heritage Act*, and THAT the CAO and City Clerk **BE AUTHORIZED** to sign the Heritage Conservation Easement in content satisfactory to the City Planner and form to the City Solicitor.

Carried.

Report Number: S 47/2021
Clerk's File: MBA/11662

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 10.1 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

Subject: S.W. & A. (Sandwich, Windsor & Amherstburg) Railway Car Barns, 1200-1220 University Avenue West – Request for Heritage Designation and Heritage Conservation Easement (Ward 3)

Reference:

Date to Council: May 10, 2021
Author: Kristina Tang, MCIP, RPP
Heritage Planner
Email: ktang@citywindsor.ca

Tracy Tang
Planner II- Revitalization & Policy Initiatives
Email: ttang@citywindsor.ca
Planning & Building Services
Report Date: April 22, 2021
Clerk's File #: MBA/11662

To: Mayor and Members of City Council

Recommendation:

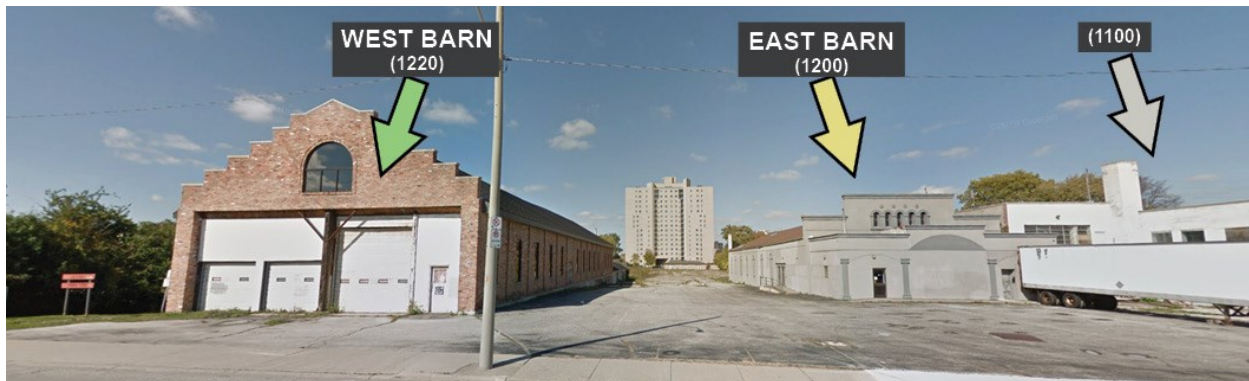
- I. THAT the City Clerk **BE AUTHORIZED** to publish a Notice of Intention to Designate the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns, 1200-1220 University Avenue West, in accordance with Part IV of the *Ontario Heritage Act* for the reasons attached in Appendix 'A'; and,
- II. THAT the Owner of 1200-1220 University Avenue West, 'The S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns', enter into a Heritage Conservation Easement with the City according to Section 37 of the *Ontario Heritage Act*, and THAT the CAO and City Clerk **BE AUTHORIZED** to sign the Heritage Conservation Easement in content satisfactory to the City Planner and form to the City Solicitor.

Executive Summary:

N/A

Background:

The S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns located at 1200-1220 University Avenue West were listed on the first version of the Windsor Municipal Heritage Register on August 27, 2007. There are two car barns currently existing on the subject property: the 'east barn building' addressed as 1200 University Avenue West, and the 'west barn building' addressed as 1220 University Avenue West. The west barn building has two sections: the north section is barrel-roofed and located on the north part of the west barn, and the south section fronts onto University Avenue West.



Google Streetview photograph of the subject property showing the west and east barns



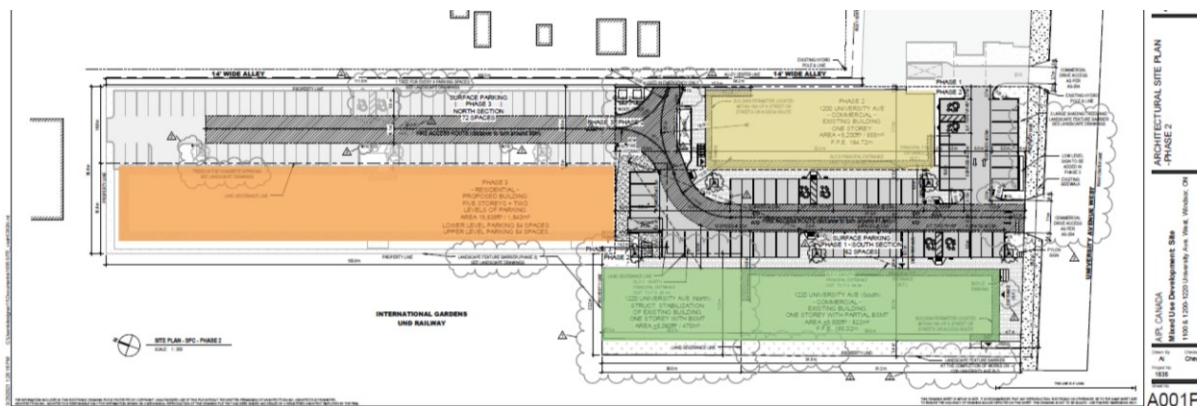
Aerial photograph of the subject property (outlined in red) with the west and east barns delineated in green overlay and yellow overlay respectively

In 2012 and 2013, the south section of the west barn underwent renovations, structural repairs, and stabilization. During that time, the white paint previously on the brick exterior was removed to reveal the original variegated orange brick building. Previous ownership had redevelopment plans for the property to include a restaurant and urban farm in the west barn but the plans did not realize.

The redevelopment of this site has been undergoing discussions with the City since 2019. The current Owners of the property have proposed to rehabilitate and renovate the two existing commercial buildings on the site ('east barn' and 'west barn') and add a new five-storey residential building plus two-storey parking at the rear of the west barn, with site improvements including parking spaces and bike parking. The redevelopment also proposes shared parking with 1100 University Ave. W.,

known on the Heritage Register as the former Government of Canada building of mid-century architecture, which is also undergoing its own renovations. Multiple Planning Act applications and Building Permits are necessary for the redevelopment as the plans

are being worked out. There is a rezoning appeal on the property that is currently scheduled for a Local Planning Act Tribunal hearing. The appeal is not related to heritage conservation and should not have implications on this report.



Site plan drawing of the proposed mixed use development at 1100 and 1200-1220 University Avenue West, Phase 2, dated March 25, 2021. The buildings have been overlaid with colour for differentiation (west barn in green, east barn in yellow, proposed new residential building in orange).

It has long been known that the subject property has strong cultural heritage value and interest through its association with the first all-electric railway system in Canada in 1891¹ and the large streetcar franchise S.W.&A. Railway, incorporated in 1887². A large portion of this report was in fact authored by Mr. John Calhoun (former Heritage Planner with the City) in 2013 when redevelopment and designation was being considered under previous ownership. The heritage information was openly shared with the current Owners / proponents and City staff conveyed the intention to recommend for heritage designation and heritage conservation easement of the property at the appropriate time, as is typical of development processes in Ontario.

The Heritage Impact Assessment (HIA) prepared in 2020 by the proponent's heritage consultant Metropolitan Design Ltd. also agreed in its conclusion that the site is a significant heritage resource to be further restored and preserved for its cultural heritage value and interest. The HIA provided analysis of the Cultural Heritage Value / Interest (CHVI) of the property, potential impacts of the development to the existing heritage resources, and provided solutions to reduce or mitigate the negative impacts. The HIA alongside City Administration review, would inform the new construction, and the options for mitigation and alternatives along with the recommended conservation strategies. While plans are still being worked out for the design and conservation treatment of the barrel roof building, City monitoring of the property and the HIA had identified the immediate need to address stabilization issues for the barrel-roof building on the north section of the west barn. A stabilization plan was submitted to the City for the barrel roof building in early 2021. As of March 2021, building permits have been issued for that section to prevent further deterioration.

¹ City of Windsor. "Transit Windsor History". *City of Windsor*, <https://www.citywindsor.ca/residents/transitwindsor/History-/Pages/History.aspx#:~:text=Public%20Transportation%2C%20in%20varied%20forms,the%20City%20streets%20in%201865.>

² Neal, Frederick. *The Township of Sandwich, Past and Present*. Frederick Neal, 1909.

This redevelopment is of considerable scale and phasing is required. At this time, Administration is of the opinion that it would be appropriate to begin the heritage designation and conservation easement request so on April 7, 2021, the Owner submitted a request for heritage designation and conservation easement of the property. However, to provide efficiencies for the redevelopment project, the final designation bylaw would not be passed until the completion of the rezoning appeal and at the final stages of the SPC approval.

Discussion:

Proposal:

The request is to designate this property individually and enter into an easement under provisions of Part IV of the *Ontario Heritage Act* with the Owner.

Legal Provisions:

Part IV, Section 27 of the *Ontario Heritage Act* provides for designation of “property situated in the municipality that is of cultural heritage value or interest”. The Act (27.(1.1)(c)) includes the requirement for “a statement explaining the cultural heritage value or interest of the property and a description of the heritage attributes of the property”. Also, there are provisions for a municipal heritage committee to be consulted about a designation before the council makes a decision on it.

Ontario Regulation 9/06 provides criteria for designation under the *Ontario Heritage Act*. Part 1.(2) of the regulation is underlined for emphasis:

“A property may be designated under section 29 of the Act if it meets **one** or more of the following criteria for determining whether it is of cultural heritage value or interest:

1. The property has **design** value or **physical** value because it,
 - i. is a rare, unique, representative or early example of a style, type, expression, material or construction method,
 - ii. displays a high degree of craftsmanship or artistic merit, or
 - iii. demonstrates a high degree of technical or scientific achievement.
2. The property has **historical** value or **associative** value because it,
 - i. has direct associations with a theme, event, belief, person, activity, organization or institution that is significant to a community,
 - ii. yields, or has the potential to yield, information that contributes to an understanding of a community or culture, or
 - iii. demonstrates or reflects the work or ideas of an architect, artist, builder, designer or theorist who is significant to a community.
3. The property has **contextual** value because it,

- i. is important in defining, maintaining or supporting the character of an area,
- ii. is physically, functionally, visually or historically linked to its surroundings, or
- iii. is a landmark.”

The S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns meets more than one of the criteria for designation listed above and a Proposed Statement of Cultural Heritage Value or Interest can be found in Appendix ‘A’.

Designation requires consideration from Council in two steps. The Notice of Intention to Designate (current step) provides direction for the City Clerk to give notice to the owner, a newspaper and others of Council’s intent to initiate the heritage designation. After thirty days, and if there is no objection, the Council may pass a by-law to designate the property in accordance with the *Ontario Heritage Act*.

A Heritage easement is a legal agreement between the heritage property owner and the agency that will hold the easement in perpetuity. It is provided for under Section 37 of the *Ontario Heritage Act* and is a separate process from the Part IV individual Heritage Designation. After consultation with its municipal heritage committee, Council may pass by-laws providing for entering into of easements or covenants with owners of the real property for the conservation of property of cultural heritage value or interest. Easements are registered on title against the real property and runs with the real property, and may be enforced by the municipality against the owner or subsequent owners of the real property. Included in Appendix ‘F’ is a summary of heritage conservation easements in Windsor.

Both heritage designations and heritage conservation easements are requested fairly commonly in development practices across Ontario (where deemed to be necessary or helpful). Conservation Easement is requested in this case as there is the ability to enter into the easement in a quicker speed (not subject to objections) than heritage designation. Also, there are components in the easement related to repairs and alterations to the property, insurance, reconstruction, and maintenance of the property.

City Administration will have the flexibility to determine the appropriate timing to progress on each step of the designation and conservation easement as the project develops further.

Architectural Considerations:

The S.W. & A. car barn buildings are located on the north side of University Avenue West, between Elm Avenue and Cameron Avenue. (Refer to Appendix B- Photographs of the Property) To the east is the former Government of Canada building at 1100 University Avenue West. To the west, the depressed land is a railway park (Gateway Public Park and International Gardens) over the Michigan Central Railway tunnel. The surface rails that once connected to a ferry landing at the Detroit River have long been removed. Underneath the railway park is the only rail tunnel under the Detroit River, constructed by the Michigan Central Railway in 1910.

The S.W. & A. car barns were constructed c.1896 (1200) and 1891 (1220) as the central storage and repair location for the Sandwich, Windsor & Amherstburg Railway Co., a franchised streetcar company that is a predecessor of Transit Windsor. The architect of the west barn was James G. McLean, while the architect of the east barn is unknown. Two buildings remain on the property; a third (north) building was removed after a fire in 1979. The current buildings were constructed of brick, mostly with tall single storeys.



Photograph of the east barn building, dated July 2012, showing the south addition and grey painted stucco, with parapet and arched windows visible from the street



Photographs of the east barn building, showing the alley-facing east wall, concrete buttresses, and painted brick on the north face

The east barn building (1200 University Avenue West) was constructed of brick c.1896 and is set back from the street. It features a two-step parapet and five small arched insets on the original south facade. Since c.1950, the east barn building had a one-storey front addition to the south side, while keeping the upper part of the original south façade visible. The building was remodelled in the 2000s and covered with synthetic stucco on the south and west sides. The north wall has not been covered by stucco; there are shadow lines of stepped brick parapet pointing out presence of previous structure that has been removed. The original red brick of the building is painted on the north face, and unpainted on the east alley-facing side. The east side has triangular concrete buttresses regularly spaced between brick bays with arched window locations.



Photographs of the west barn building, showing the south section. This section was stabilized and restored in 2012-2013

The west barn building (1220 University Avenue West) was constructed in 1891 and has two main sections. The south section is large and close to the street. It was originally similar in scale and setback to the east barn building, and was extended to the street front between 1896 and 1909 (see Appendix 'C' - Additional Research Materials). The addition on the south section is demonstrated by the difference observed in the foundation. The original south section of the west barn has a stone foundation with a stone trim belt line whereas the addition has a brick foundation without the stone trim belt line on the west side of the building. The current street-facing visible (south) façade retains many original features, including a stepped parapet in front of a sloped roof. The outer frame of the original garage doors remain, though now with smaller doors. The design of the east and west sides is fairly typical of 19th century industrial building design, with regularly spaced plain pilasters, and rectangular windows with masonry sills. The main floor is at-grade at the south end and single storey with high ceiling. As the grade under the west barn changes, sloping down to the north and west, a lower level is visible under about the north half of this section. There have been windows and a door on that level facing the west.



Photographs of the west barn building, showing the north barrel-roofed section, the brick chimney, and stepped parapet

The north section of the west building has a barrel roof almost a storey below the south section roof. This section functioned as the power-generating boiler room, and a new addition was added to the north to expand the boiler room function between 1896 and 1909. There are brick walls (painted), the base of a large square brick chimney, and a stepped parapet on the north end. This section has two levels. On the west side facing the depressed railway park, there are arched windows and two sets of arched large

wooden doors on the lower level; the upper level has small rectangular windows. The east side has a mix of doors and windows from the upper level; the lower level is below grade. The foundation of the north barrel roof barn section is irregularly shaped stone with thick mortar, which differs from the neatly aligned cut stone foundation of the south section.

Historical or Associative Considerations:

Of the criteria for heritage designation (Ontario Regulation 9/06, above) the most pertinent is the historical/associative factors, since this property was the largest remaining facility for streetcars which were the primary public transportation in the region for over fifty years. The property was first owned by Joseph Maillou(x) Jr. in 1804 and farmed by his son Charles Maillou(x) in 1851, before being sold to Charles Potter in 1880. Charles Potter then deeded the land to S.W.&A. in 1891³. The east barn building was constructed c.1896 while the west barn building was constructed in 1891. Trolley cars were stored and inspected in the east barn, and maintained and repaired in the west barn. As previously mentioned, the north barrel roof section of the west barn was the powerhouse, containing boiler rooms that generated coal-fired electricity to run the trolley cars³.



Photographs (top left, bottom) of the buildings in use for streetcar service, dated 1918. The base of the left (square) smokestack remains. Another photo (top right), shows the street facade of the west barn building and dates to probably before 1918 (InternationalMetropolis.com)⁴

³ Bluestone Research. *Stage I Archaeological Assessment (Background Research) of 1200 University Avenue West, (Lot 73, Concession 1, Former Township of Sandwich West, County of Essex) Windsor, Ontario*. PIF P229-0054-2019.

⁴ "End of the line..." *International Metropolis*, May 6, 2008, <https://internationalmetropolis.com/2008/05/06/end-of-the-line-2/> . Accessed April 12, 2021.

Until the mid-20th century, local public transportation was operated by private, for-profit franchises. The first local passenger vehicles on rails were established in 1874 from Windsor through Sandwich, notably to the mineral springs tourist hub down-river. Instead of travelling the road along the river, a new route was made to facilitate passenger railway travel between the two towns that included a 100 feet wide private right-of-way²; that route was called London Street and is now called University Avenue West. On its opening date, the streetcar line featured six new horse-drawn cars. The streetcar line changed ownership many times before the Sandwich, Windsor & Amherstburg Railway was formed in 1887 to continue the service. Electric lines were introduced in August 1891, making it the first all-electric railway system in Canada.

Another company had begun the first electric streetcar service in 1886, running a line between Walkerville and Windsor; this may have been the first electric street rail in Canada⁵. By 1904, that company's assets were conveyed to the S.W.&A. Railway.

By 1920, rails were built to Amherstburg, Tecumseh, Essex, and Leamington by S.W.&A. and others, as well as a network within Windsor and Walkerville. By 1930, all but one of the lines were owned by S.W.&A. The first buses were purchased in 1938, and by February 1939 all rail lines had been replaced⁶. The car barns were used for buses until the 1950s. Uses of the east barn building after S.W.&A. included a roller skating rink, a toy and/or radio equipment distributor, Kerns (contractor), and more recently the Junction restaurant and entertainment area. The west barn building was used as the MG Butler hardware and industrial suppliers from the 1950s to 2011⁷.

Contextual Considerations:

The car barns' location on University Avenue West, previously London Street, is historically linked to the development of the transit route between Windsor and Sandwich. London Street's primary purpose was to facilitate streetcar transit between the two towns. In the creation of London Street, a new neighbourhood had formed with schools, churches, residences, and shade trees lining the boulevard². The car barns are representative of the history and origin of University Avenue West as a transit route, and served as a major hub for the repair and storage of streetcars that serviced the people of Windsor and Essex County.

Further, the west barn building (1220) could also qualify as a long-standing landmark on University Avenue West. For over 120 years, the façade of this large building has been highly visible close to the street, next to the railroad lands depression and forward of the east barn building (1200).

Official Plan Policy:

⁵ Tucker, Sherrill. "The Junction: Birthplace of Windsor & Area's Transit System". *Walkerville Times Magazine*, 2015, <http://www.walkervilletimes.com/junction.htm> . Accessed April 12, 2021.

⁶ Schramm, Jack E., Henning, William H., and Andrews, Richard R. *When Eastern Michigan Rode the Rails – Book 4*. Transportation Trails, 1994.

⁷ Wood Environment & Infrastructure Solutions. *Phase One Environmental Site Assessment: Vacant Industrial/Commercial Buildings: 1200 University Avenue West, Windsor, Ontario*. 2018.

The Windsor Official Plan Volume 1 includes (9.0) "A community's identity and civic pride is rooted in physical and cultural links to its past. In order to celebrate Windsor's rich history, Council is committed to recognizing, conserving and enhancing heritage resources." Goals include (9.1.1) "The identification, recognition, protection, conservation, enhancement and proper management of heritage resources." Objectives include (9.2.4) "To increase awareness and appreciation of Windsor's heritage resources and encourage participation by individuals, organizations and other levels of government in heritage conservation."

Also, (9.3.2.1) "Council will identify Windsor's heritage resources by: ... (c) Researching and documenting the history and architectural and contextual merit of potential heritage resources on an individual property basis". (9.3.3.1) "Council will recognize Windsor's heritage resources by: ... (a) Designating individual buildings, structures, sites and landscapes as heritage properties under the Ontario Heritage Act;" (9.3.6.1) "Council will manage heritage resources by: ... (e) providing support and encouragement to organizations and individuals who undertake the conservation of heritage resources by private means"

The Heritage designation and conservation of 1200-1220 University Avenue West would further ensure that Official Plan policies (Appendix D - Extract from City of Windsor Official Plan Chapter 9 Heritage Conservation) related to the protection, enhancement and management of heritage resources would be implemented.

Next Steps: Site Design and further Heritage Conservation Considerations

Council consent to the initiation of heritage designation and conservation easement would provide a start to the execution of these two heritage tools and provide City Administration with some direction and flexibility. Additional determinations would still be needed by City staff to implement these two heritage tools and their completion, as the site's property boundaries and designs are still a work in progress and being finalized. The final list of heritage attributes will be confirmed as design details are negotiated and agreed upon through final design. Regardless, the heritage designation and conservation easement is intended to apply to the entire real property. The designation bylaw is only intended to be passed after completion of the LPAT (rezoning appeal) hearing and at the final stages of the Site Plan Control process for the entire site, while it would be up to City staff discretion as to the appropriate time to request for the conservation easement to be entered into.

Other recommendations of the HIA and conservation strategies would likewise continue to be reviewed as part of the Site Plan Control Application(s). For example, the proposed new residential building should be visually compatible with the character defining exterior features and elements that have been identified. Both the East Barn and the West Barn have physical elements that are similar and could help inform the exterior design of the new building. The Heritage Impact Assessment (Appendix E) states: *"The design of the scale, massing and materiality of the new building is an opportunity to create visual and physical references and even linkages to the existing heritage Streetcar Barns. These references can be expressed in terms of form, material, and site location."* (pg. 17) The HIA also references Standard 11 of the Standards and Guidelines for the Conservation of Historic Places in Canada, which states: *"Conserve*

the heritage value and character-defining elements when creating any new additions to an historic place or any related new construction. Make the new work physically and visually compatible with, subordinate to and distinguishable from the historic place." As the project progresses, the Owner will be refining the exterior design for the new residential building by incorporating the findings of the Heritage Impact Assessment, City Administration recommendations, and following the Standards and Guidelines for the Conservation of Historic Places in Canada.

There are also potential construction vibration concerns and impacts from the proposed new development to surrounding heritage structures that would have to be addressed. This would be resolved through provision of a Construction Vibration Control Assessment as a condition of the Site Plan process prior to issuance of building permits for the new residential building.

Risk Analysis:

The proposed designation and conservation easement would support the protection of the heritage attributes and ensure their retention and incorporation into the redesign of the property. If designated, modifications or additions that affect any identified heritage feature will require approval by Council, after consultation with the municipal heritage committee. If not designated, inappropriate changes could be made to the building and demolition may be more readily allowed.

Should Council consider the heritage designation of the subject property, any future changes to the barn buildings will include regulation over the property and its heritage attributes (see Appendix 'A').

The Owner is agreeable to the Conservation Easement of the two S.W.&A. railway car barns, which will protect the cultural heritage value of the property as the restrictions and protections would be registered on title of the property in perpetuity. The *Ontario Heritage Act* tool of using a Conservation Easement will allow the cultural heritage resources to be conserved.

Without these heritage tools, it could result in irreversible destruction and loss of this cultural heritage resource in the future.

Climate Change Risks

Climate Change Mitigation: N/A

Climate Change Adaptation: N/A

Financial Matters:

The City will pay the nominal costs of legal notices and registering the by-law amendment with the Land Registry Office. The Committee's heritage operating budget will cover the cost of the designation plaque. Once designated, the owner could apply for grants from the City's Community Heritage Fund to repair features identified in the designation, and they could request property tax reductions for the costs of eligible improvements under the City's heritage tax rebate program.

It should be noted that Council approved funding for this property under the Brownfield Redevelopment Program, where retrofit of the buildings (such as Heritage Conservation work) would be an eligible cost.

Consultations:

Consultations have been made with the Windsor Public Library, Archives, and Local History Centre, and staff from Museum Windsor. The chapter about Windsor in Book 4 of *When Eastern Michigan Rode the Rails* contains the sequence of different streetcar franchises and locations. Historian Andrew Foot assisted in providing historic newspaper clippings relevant to the west barn construction date, and his website InternationalMetropolis.com was the source of photos and historic details (see Appendix 'C'). Local transit historian Bernie Drouillard was also consulted regarding the date of construction and architect of the barns. The Heritage Planner conducted site visits of the property in January and May 2020 and February 2021 along with other Planning and Building Department staff. Photos from the site visits are available in Appendix 'B'. Other City staff consulted in the preparation of this report include and are not limited to Site Plan Control, Building Department, Legal, and Real Estate Services. Review of heritage conservation/urban design were conducted with Adam Coates, Senior Urban Designer.

Conclusion:

Administration recommends initiating the designation process for the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns at 1200-1220 University Avenue West under Part IV of the *Ontario Heritage Act* to recognize and conserve its historical, architectural, and contextual features for years to come. Administration also recommends entering into a Heritage Conservation Easement for the property under Section 37 of the *Ontario Heritage Act*.

Planning Act Matters:

N/A

Approvals:

Name	Title
Michael Cooke	Manager of Planning Policy/ Deputy City Planner
Thom Hunt	City Planner / Executive Director Planning & Building
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor / CLT
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Owner representatives and consultants		Shabeg Singh (shabeg@aipl.com) Dev Singh (dev@aipl.com) Dhillon Sartaj (sartaj.s.dhillon@gmail.com) Harbhajan Dhillon (hsd.falco@gmail.com) Dan Amicone (dan@architecttura.com) Vas Papadiamantopoulos (vas@architecttura.com) Jill Taylor (jtaylor@taylorhazell.com) Jonathan Dee (jdee@igcooke.com) Don Loucks (metropolitandesign45@gmail.com)

Appendices:

- 1 Appendix A - Proposed Statement of Cultural Heritage Value or Interest
- 2 Appendix B - Photographs of the Property
- 3 Appendix C - Additional Research Materials
- 4 Appendix D - Extract from City of Windsor Official Plan Chapter 9 Heritage Conservation
- 5 Appendix E - Heritage Impact Assessment prepared by Metropolitan Design Ltd.
- 6 Appendix F - Summary of Heritage Conservation Easements

Appendix 'A': Proposed Statement of Cultural Heritage Value or Interest

S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns 1200-1220 University Avenue West

Description of Historic Place

The S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns are located at 1200-1220 University Avenue West on the north side, a half-block west of Elm Avenue and east of the bridge across the depressed Michigan Central Railway lands (Gateway Public Park). The property currently consists of two brick buildings: the west car barn (1220) was constructed in 1891 and designed by James G. McLean, while the east car barn (1200) was constructed c.1896 by an unknown architect. The barns are associated with the S.W.&A. Railway Co., which was active on the property from 1890 to the 1950s and the predecessor of Transit Windsor.

Cultural Heritage Value or Interest

Design or Physical Value:

The S.W.&A. car barns were constructed as the central storage and repair location for the S.W.&A. Railway Co., a franchised streetcar company. The architect of the west barn was James G. McLean, while the architect of the east barn is unknown. The two buildings were constructed of brick, mostly with tall single storeys.

The east barn building (1200) was constructed c.1896 and is set back from the street. It features a two-step parapet and five small arched insets on the original south facade. The north (rear) facade has shadow lines of a stepped parapet pointing out presence of previous structure that has been removed. The original red brick of the building is visible on the east alley-facing facade. The east (side) facade has triangular concrete buttresses regularly spaced between brick bays with arched window locations.

The west barn building (1220) was constructed in 1891 and has two main sections. The south section is large and close to the street. The original south section of the west barn has a stone foundation with a stone trim belt line, while the addition to extend the barn closer to the street has a brick foundation and lacks the stone trim belt line on the west side of the building. Its current street-facing (south) façade retains many original features, including a stepped parapet in front of a sloped roof. The outer frame of the original garage doors remain. The design of the east and west sides is fairly typical of 19th century industrial building design, with regularly spaced plain pilasters and rectangular windows with masonry sills. The main floor is at-grade at the south end; it has a single storey with high ceiling. As the grade under the west barn changes, sloping down to the north and west, a lower level is visible under about the north half of this section. There have been windows and a door on that level facing the west.

The north section of the west building has a barrel roof almost a storey below the south section roof. There are brick walls, the base of a large square brick chimney, and a stepped parapet on the north end. This section has two levels. On the west side facing the depressed railway park, there

are arched windows and two sets of arched large wooden doors on the lower level; the upper level has small rectangular windows. The east side has a mix of doors and windows from the upper level; the lower level is below grade. The foundation of the north barrel roof barn section is irregularly shaped stone with thick mortar, which differs from the neatly aligned cut stone foundation of the south section.

Historical or Associative Value:

This property is the largest remaining facility of the streetcars that were the primary public transportation in the region for over fifty years. The property was previously used for agricultural purposes by Charles Maillou(x) in the 1850s. The land was deeded to the S.W.&A Railway Co. in 1891. By 1896, the buildings were used as the “Car Barns” for the major local streetcar franchise. Trolley cars were stored and inspected in the east barn, and maintained and repaired in the west barn. The north barrel roof section of the west barn was the electricity-generating powerhouse.

The first local passenger vehicles on rails were horse-pulled and established in 1874 from Windsor through Sandwich, notably to the mineral springs tourist hub down-river. Instead of travelling the road along the river, a new route was made to facilitate passenger railway travel between the two towns that included a 100 feet wide private right-of-way called London Street, now known as University Avenue West. The S.W.&A. Railway Co. was formed in 1887 to continue the service and electric lines were introduced in August 1891, making it the first all-electric railway system in Canada.

Another company had begun the first electric streetcar service in 1886, running a line between Walkerville and Windsor; this may have been the first electric street rail in Canada. By 1904, that company’s assets were conveyed to the S.W.&A. Railway.

By 1920, rails were built to Amherstburg, Tecumseh, Essex, and Leamington by S.W.&A. and others, as well as a network within Windsor and Walkerville. By 1930, all but one of the lines were owned by S.W.&A. The first buses were purchased in 1938, and by February 1939 all rail lines had been replaced. The car barns were used for buses until the 1950s.

Contextual Value:

The car barns’ location on University Avenue, previously London Street, is historically linked to the development of the transit route between Windsor and Sandwich. London Street’s primary purpose was to facilitate streetcar transit between the two towns. In the creation of London Street, a new neighbourhood had formed with schools, churches, residences, and shade trees lining the boulevard. The car barns are representative of the history and origin of University Avenue West as a transit route, and served as a major hub for the repair and storage of streetcars that serviced the people of Windsor and Essex County.

Further, the west barn building (1220) could also qualify as a long-standing landmark on University Avenue West. For over 120 years, the façade of this large building has been highly visible close to the street, next to the railroad lands depression and forward of the east barn building (1200).

Character Defining Elements

Exterior features that contribute to the design or physical value of the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns – East Barn Building (1200):

- Constructed of red clay brick originally in common bond
- Two-step corniced parapet and five small arched insets on south façade
- Gable roof end and shadow lines of stepped parapet on the north brick wall, with a square chimney at northwest corner
- Brick east wall features
 - decorative brick dentil coursing
 - triangular concrete buttresses regularly spaced between common bond brick bays
 - arched window locations with triple course rowlock lintels and stone sills
 - concrete foundation wall
- Arched window openings on the west wall

Exterior features that contribute to the design or physical value of the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns – West Barn Building (1220):

South Section

- Constructed of variegated orange brick with gable roof
- One-Storey grade change between the tall single storey south side and two storey towards the rear north and at the west elevation
- South facade features
 - peaked center, multi-stepped parapet, with coping
 - high window at center with arched top divided into three frames at bottom
 - frames for original large garage doors
- Brick side walls with regularly spaced unadorned pilasters
- A tall rectangular window between each bay, with soldier brick lintel and masonry sills
- North part of the south section has a square-cut stone foundation with rowlock brick and stone trim belt line
- lower-level openings with stone lintels and sills on the east and west elevations

North Section

- Barrel roof building with the large square brick chimney base
- Triple stepped parapet with brick wall on the north elevation
- One-storey grade change between the two-storey west elevation and single-storey east elevation
- Lower/basement level (on west elevation) of rubble stone masonry while ground level walls are constructed of common bond brick
- Arched windows and arched large wooden doors on the lower level, with range of double course to quadruple rowlock brick lintels

Features that contribute to the historical or associative value of the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns:

- The west barn building (1220) was designed by architect James Grey McLean, who had a successful practice in Windsor for over 10 years
- Largest remaining facility for the streetcars that were the primary public transportation in the region for over fifty years
- Owned by the S.W.&A. Railway Co., formed in 1887 and predecessor to Transit Windsor
- Predecessor company began horse-drawn car service in 1874 from Windsor through Sandwich to the mineral springs down-river
- A competitor (later merged) began electric service in 1886 from Windsor to Walkerville and could have been the first electric street rail in Canada
- Electric lines were introduced in August 1891, making it the first all-electric railway system in Canada
- By 1920, rails were built to Amherstburg, Tecumseh, Essex, and Leamington by S.W.&A. and others, as well as a network within Windsor and Walkerville
- By 1939, all rail lines had been replaced by buses, which were repaired in the car barns until the 1950s

Features that contribute to the contextual value of the S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns:

- Connection to the development of University Avenue West (previously London Street), a street which was created for the purpose of passenger transit and initially the private 100-foot right-of-way for the streetcar line between Windsor and Sandwich
- Highly visible location of the Car Barn buildings near the street for 120 years

Appendix 'B': Photographs of the Property

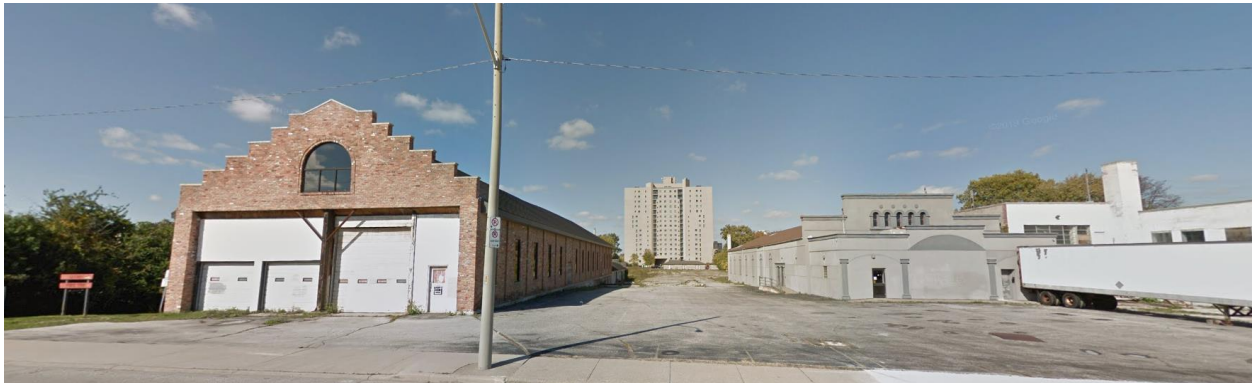
S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns 1200-1220 University Avenue West



Aerial photograph of the subject property (outlined in red) with the West and East Barns delineated in green overlay and yellow overlay respectively



Google Streetview capture of the subject property, dated June 2012. The location of the two barn buildings (West Barn on the left, East Barn on the right) are seen along with the depressed railway park to the left and the 1100 University Avenue West building to the right. The image shows the West Barn Building prior to its restoration and paint removal.



Google Streetview capture of the subject property, dated October 2018. The restoration and paint removal of the West Barn Building is seen.

1200 University Avenue West (East Barn Building)



View of the south west corner of the East Barn, facing University Avenue West. The front one-storey addition does not cover the parapet or arched windows. Photograph was taken 2012-07-20



Close up of the south west corner of the East Barn facing University Avenue West, showing the existing stucco treatment. Photograph was taken 2020-01-16



View of the north west corner of the East Barn, showing the painted brick north facade and shadow lines of stair-stepped brickwork (reminiscent of a parapet). Photograph was taken 2020-01-16



View of the east (side) facade of the East Barn, facing the alley. Close up details of the east facade include the arched windows (filled), stone sills, concrete triangular buttresses, and brick shadow line. Photographs were taken 2020-01-16

1220 University Avenue West (West Barn Building)



Close up of the West Barn's south (front) facade, with the stepped parapet and outer frame of the original garage doors. Photograph was taken 2020-01-16



View of the south west corner of the south section of the West Barn. Visible are the plain pilasters and rectangular windows with masonry sills. Also visible is the entrance to the Gateway Public Park over the depressed railway lands. Photograph was taken 2020-01-16



Photographs of the west (side) facade facing north, where the north and south sections of the West Barn meet. Photograph on the left was taken recently 2020-01-16 and on the right was taken 2012-07-20, pre-restoration and paint removal.



Photographs of the west (side) facade facing south, where the north and south sections of the West Barn meet. The change in grade and building height is evident. Photograph on the left was taken recently 2020-01-16 and on the right was taken 2012-07-20, pre-restoration and paint removal.



Photograph of the west (side) facade of the barrel roof north section of the West Barn building. The line in the building materials reveal that the building was constructed in two phases. Photograph was taken 2020-05-14



Close up of the south section of the West Barn, showing the west (side) facade. On the west facade, the stone foundation and trim belt line end part-way through the building, and brick foundation is used for the remainder of the building up to the street frontage. Photograph was taken 2020-01-16



View of the east (side) facade of the West Barn, showing where the north barrel roof section connects to the south section. The photograph captures the sloped roof and masonry wall with pilasters of the south section, as well as the shape of the north section's barrel roof and north-facing stepped parapet. Photograph was taken 2020-05-14



Close up of the south section of the West Barn, showing the east (side) facade on the right. The photograph highlights the plain pilasters and natural brick of the building that was restored in 2012-2013. Photographs were taken 2020-01-16



View of the east (side) facade of the West Barn, showing where the north barrel roof section connects to the south section. Photograph was taken 2020-01-16



Close up of the north section of the West Barn, at the north east corner. Photograph was taken 2020-05-14



Close up of the brick stepped parapet on the north (rear) facade of the north section of the West Barn. Photograph was taken 2020-05-14

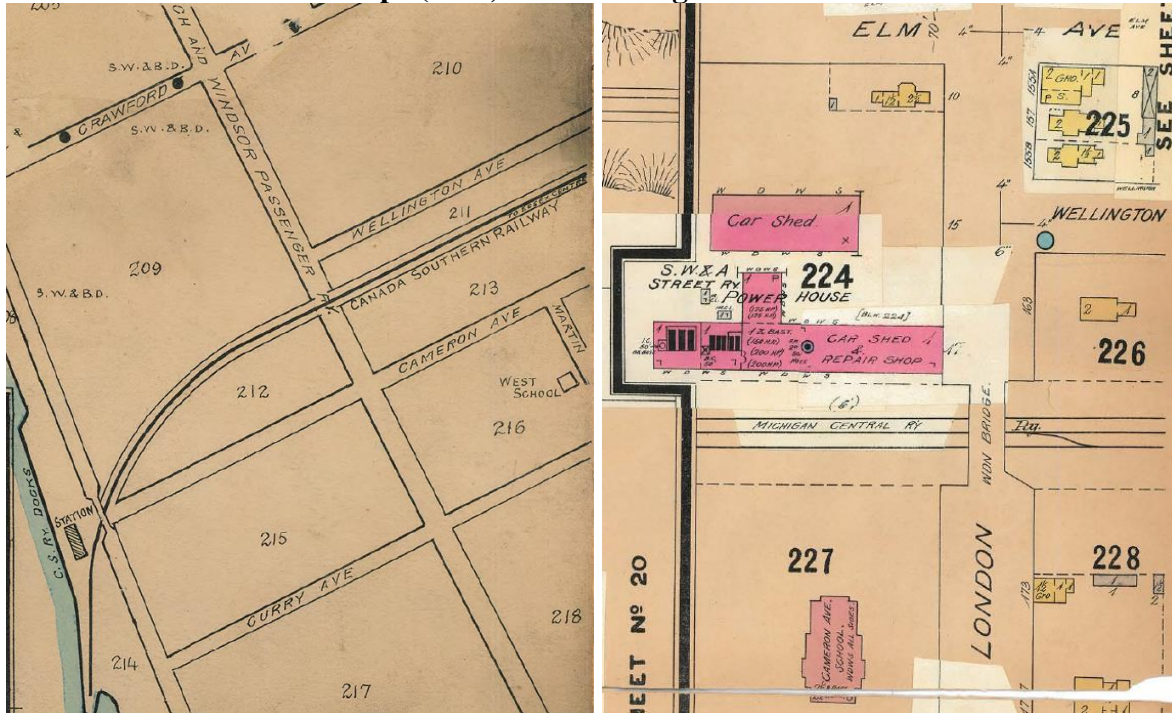


Close up of the large square brick chimney on the barrel roof of the north section of the West Barn. Photograph was taken 2021-02-03

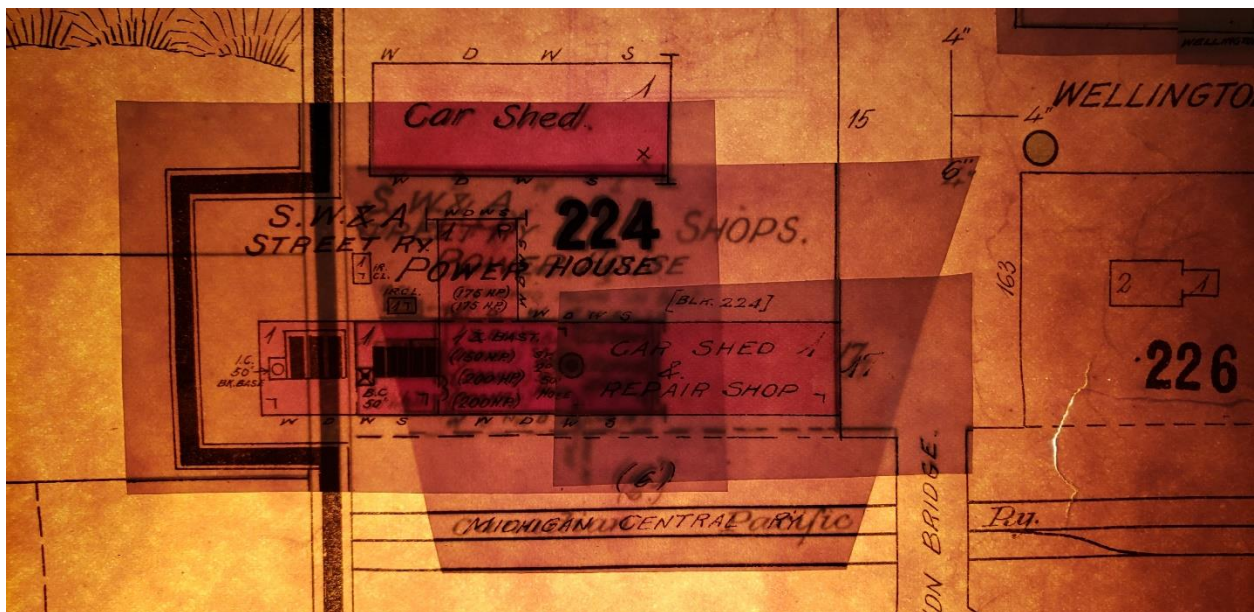
Appendix 'C': Additional Research Materials

S.W.&A. (Sandwich, Windsor & Amherstburg) Railway Car Barns 1200-1220 University Avenue West

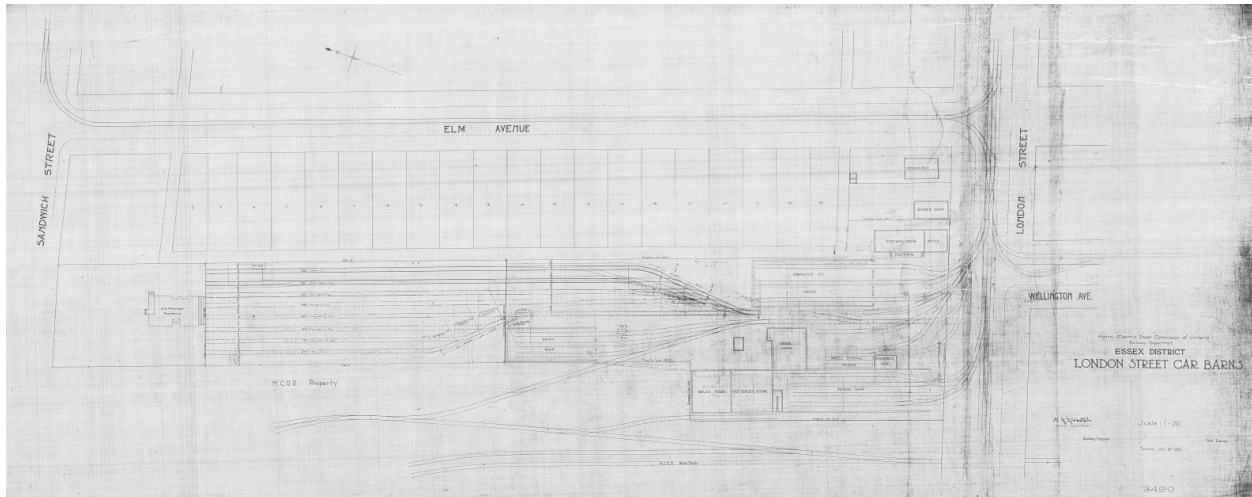
Historic Fire Insurance Maps (FIM) and Drawings



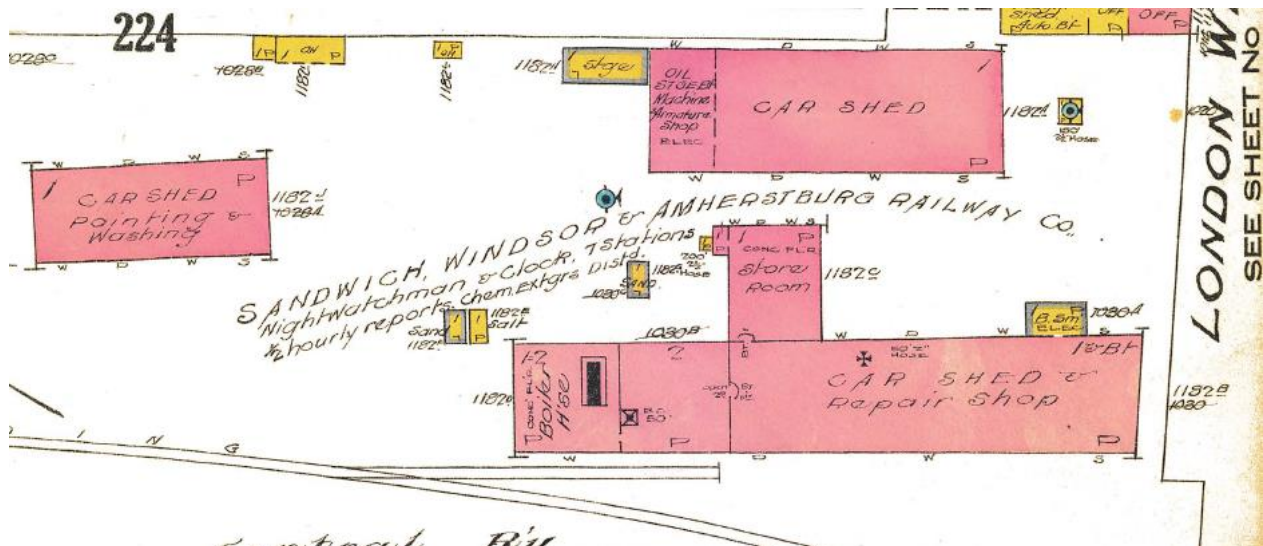
Snippets of Sheet 1 of the 1885 FIM (revised 1894) and Sheet 19 of the 1896 FIM (revised 1909)



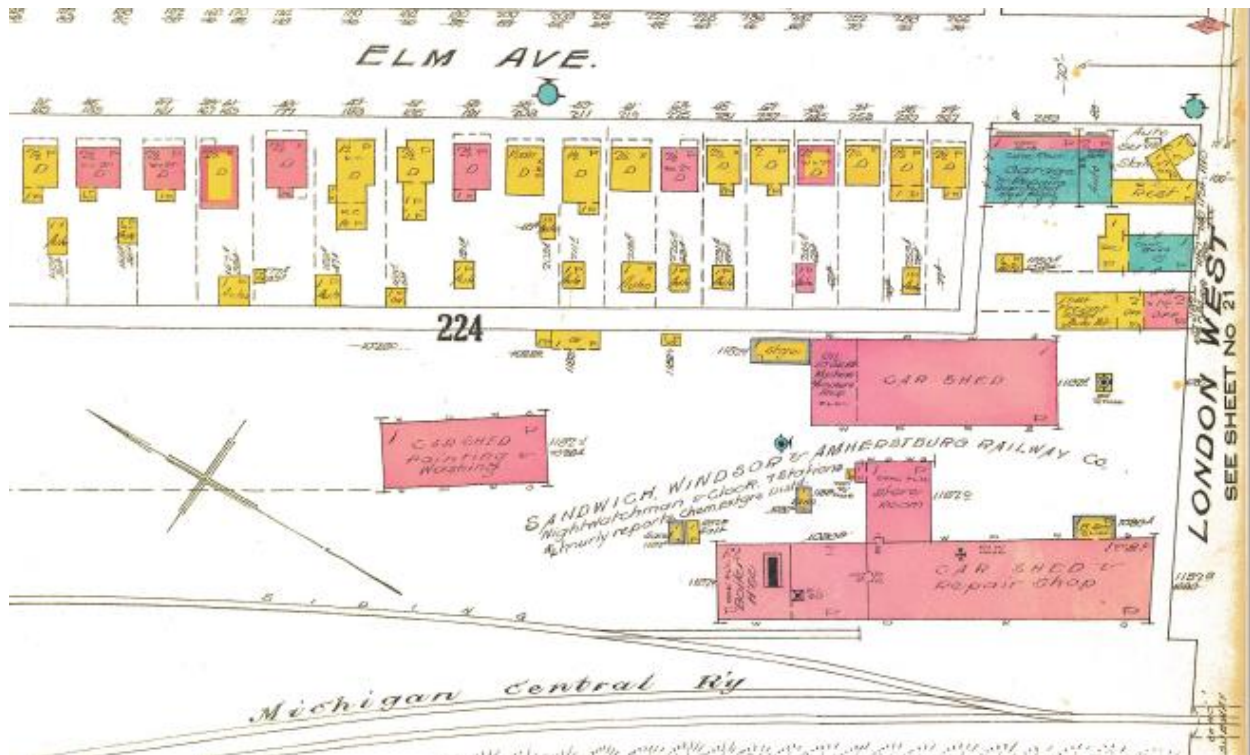
Photograph of the 1896 FIM with a backlight to illustrate 1909 revisions. The original west barn building footprint can be seen in darker pink, with additions to the front London Street entrance and rear boiler room in lighter pink (Madelyn DellaValle)



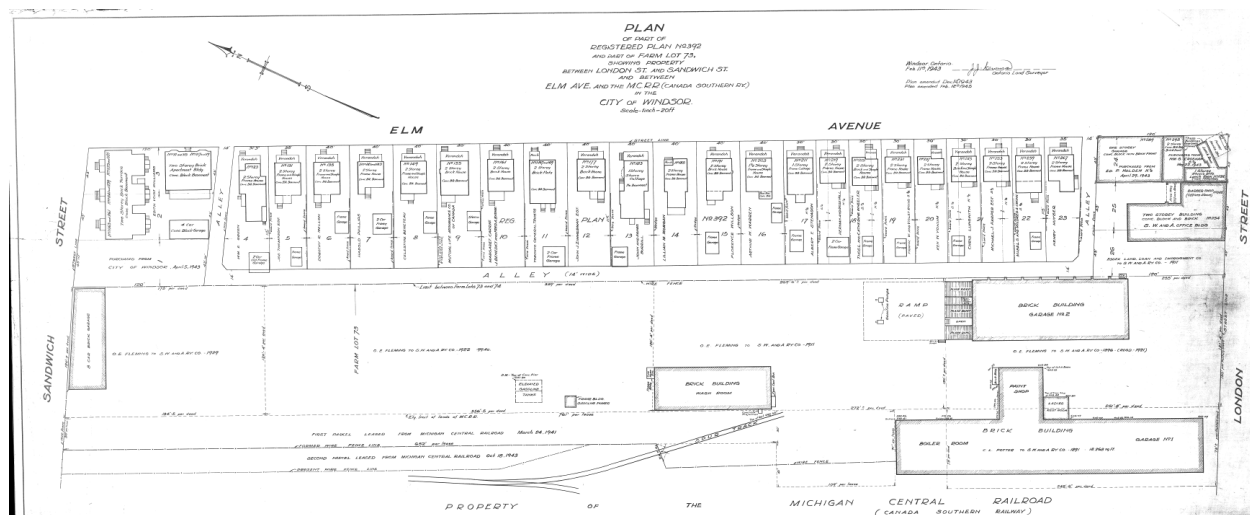
Site drawing of the car barns property completed for the Hydro-Electric Power Commission of Ontario - Railway Department, dated 1922. The railway track lines are illustrated along with the distinction between the “Boiler Room” and “Old Boiler Room” (Bernie Drouillard)



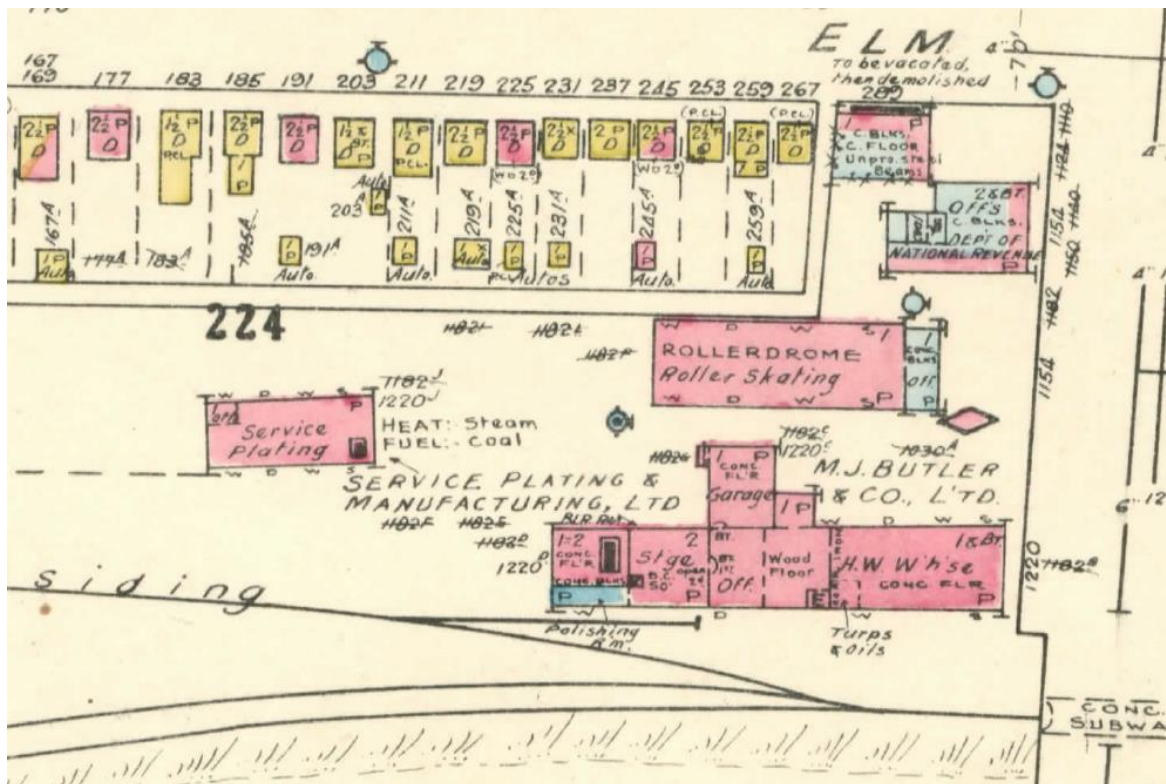
Snippet of Sheet 29 of the 1924 FIM



Snippet of Sheet 29 of the 1937 FIM



Registered Plan No.392, surveyed 1943, amended 1945 (Bernie Drouillard)



Snippet of Sheet 18 of Volume 1 of the 1952 FIM

Historic Photographs



Photograph of the S.W.&A. Railway car barns on London Street, dated 1918¹

¹ "End of the line...". *International Metropolis*, May 6, 2008, <https://internationalmetropolis.com/2008/05/06/end-of-the-line-2/>



Photograph of the S.W.&A. Railway car barns on London Street, looking north from Wellington Avenue, dated 1918¹



Photograph of the S.W.&A. Railway "Work Car", dated 1919¹



492
Special Work at entrance to Windsor Repair Shop.
 Photograph of the west barn building, with the Cameron Street School in the background, undated but likely from the mid 1920s (Andrew Foot)



Photograph of the east barn building, undated but likely from the 1930s¹



Photograph of Car #44 in front of the east barn building, undated²



Photograph of the S.W.&A. Terminal Yard in the late 1930s, perhaps 1938-1939. Note the barns have converted to accommodate busses, while there are still rails in the road of historic London Street West (now University Avenue West)³

² “More Streetcars”. *International Metropolis*, April 30, 2008, <https://internationalmetropolis.com/2008/04/30/more-streetcars/>

³ “Old Windsor Photos”. *International Metropolis*, October 13, 2005, <https://internationalmetropolis.com/2005/10/13/old-windsor-photos/>



Photograph of the east barn building, dating to the early 1940s. The large barn doors have been partially filled with brick to accommodate busses, while retaining the decorative parapet, brickwork, and arched windows⁴



Photograph of the S.W.&A. float in a World War II-era parade float. The S.W.&A. east barn is pictured in the background, with the tall square brick chimney of the north portion of the west barn also visible⁴

⁴ “London Street Garage”. *International Metropolis*, June 5, 2007, <https://internationalmetropolis.com/2007/06/05/london-street-garage/>



S.W.&A. Railway Co. Property Sketch (Windsor Public Library)



Photograph of the intersection of London Street West (now University Avenue West) and Cameron Avenue, Looking East, dated November 1949⁵

⁵ Southwestern Ontario Digital Archives (SWODA), <http://swoda.uwindsor.ca/node/2708>

Appendix 'D': Extract from City of Windsor Official Plan Chapter 9 Heritage Conservation

9.3.2 Identification of Heritage Resources

9.3.2.1 Council will identify Windsor's heritage resources by:

INDIVIDUAL SITES

- (c) Researching and documenting the history, and architectural and contextual merit of potential heritage resources on an individual property basis;

9.3.3 Recognition of Heritage Resources

9.3.3.1 Council will recognize Windsor's heritage resources by:

DESIGNATE HERITAGE PROPERTIES

- (a) Designating individual buildings, structures, sites and landscapes as heritage properties under the Ontario Heritage Act;

9.3.4 Protection of Heritage Resources

9.3.4.1 Council will protect heritage resources by:

PROPERTY STANDARDS

- (f) Requiring that heritage properties are maintained, in order to retain their heritage values, attributes, and integrity;

ADAPTIVE REUSE

- (g) Encouraging the adaptive reuse of architectural and/or historically significant buildings and structures;

9.3.5 Enhancement of Heritage Resources

9.3.5.1 Council will enhance heritage resources by:

OTHER PROGRAMMES

- (f) Utilizing other programmes administered by the Municipality to further its heritage objectives; and

TECHNICAL ADVICE

- (g) Providing technical information on the preservation of heritage resources.

9.3.6 Management of Heritage Resources

9.3.6.1 Council will manage heritage resources by:

PRIVATE INITIATIVES

- (e) Providing support and encouragement to organizations and individuals who undertake the conservation of heritage resources by private means;

9.3.7 Heritage Resources and Planning Initiatives

9.3.7.1 Council will integrate heritage conservation into the development and infrastructure approval process by:

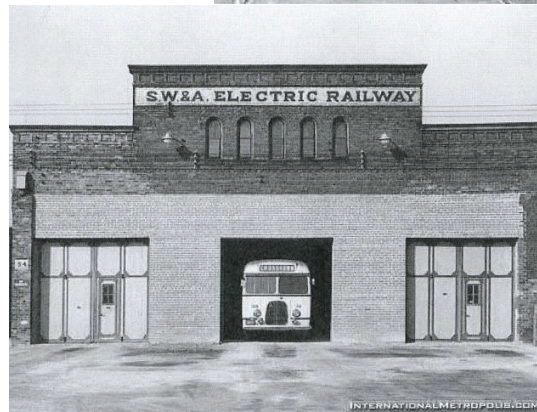
APPROVAL PROCESS

- (d) Utilizing the planning approval process (subdivisions / condominiums, official plan amendments, zoning amendments, site plan control, consent, minor variance, demolition control) to facilitate the retention of

		heritage resources, and to ensure any proposed development is compatible with heritage resources;
<i>URBAN DESIGN CRITERIA</i>		<ul style="list-style-type: none"> (e) Having regard to the following factors when assessing applications such as zoning amendments, site plan control applications, demolition control and payment-in-lieu, which may impact heritage resources: <ul style="list-style-type: none"> (i) Respecting the massing, profile and character of adjacent buildings; (ii) Approximating the width and established setback pattern of nearby heritage buildings; (iii) Respecting the yards, gardens, trees and landscaped grounds associated with the heritage properties and districts which contribute to their integrity, identity, and setting; (iv) Maintaining, enhancing or creating views and vistas of heritage resources; and (v) Minimizing the impact of shadowing on adjacent heritage properties, particularly on landscaped open spaces and outdoor amenity areas.
<i>DEMOLITION CONTROL</i>		(f) Utilizing the demolition control provisions of the Planning Act and the Heritage Act to assist in the protection of heritage buildings and structures;
<i>HERITAGE ZONING</i>		(h) Ensuring that the development of heritage resources and the development of adjacent properties is complementary to those resources by regulating the use, massing, form, location, setback and other matters of development by means of heritage zones and other zones in the zoning by-law;
	10.2.15	Built Heritage Impact Study (Added by OPA 65 – 10/22/2007– By-law 192-2007)
<i>PURPOSE</i>	10.2.15.1	The purpose of a Built Heritage Impact Study is to determine if any listed or designated heritage resources are impacted by development proposals and the potential need for mitigation measures.
<i>STUDY COMPONENTS</i>	10.2.15.2	<ul style="list-style-type: none"> (a) An analysis of the proposed development or site alteration that affects listed or designated heritage resources on adjacent lands; (b) A demonstration that the heritage attributes of the listed or designated heritage resource will be conserved as part of the proposed development and site alteration; and, (c) A commitment to mitigation measures and/or alternative development approaches in order to conserve the attributes of the listed or designated heritage resource affected by the adjacent development or site alteration.

Streetcar Barns

1200 University Avenue West, City of Windsor



Heritage Impact Assessment - DRAFT

July 2020

PREPARED FOR:
2605385 Ontario Inc. c/o AIPL Canada Holdings

PREPARED BY:
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1. INTRODUCTION

1.1 Property and Site Location, Description and Current Context

Please note: Much of the content below has been drawn from the research files supplied by the City of Windsor.

The former Sandwich, Windsor and Amherstburg Railway (S.W. & A. Ry) Streetcar Barn buildings, with the address of 1200 University Avenue West, are on the north side of University, west of Elm Avenue and just east of the railway park over the Michigan Central tunnel. There are two remaining barn structures at this site. There were once three buildings at this site, however the third was destroyed in a fire in 1979. The two remaining barns are both listed on the Heritage Register for the City of Windsor.

To the east of the two barns is the former Government of Canada building at 1100 University Avenue West, which is also listed on the Heritage Register.

The land to the west of 1200 University Avenue West, consists of depressed land which belongs to the Canadian Pacific Railway. While the former surface rails have been removed, they were once connected to a ferry landing at the Detroit River. Underneath is the only rail tunnel under the Detroit River, constructed by the Michigan Central Railway in 1910.

The S.W.&A. Railway Streetcar Barns at 1200 University Avenue West were constructed c1887 as the central repair and storage location for the S.W.&A. Ry Co., a franchised streetcar company that is a predecessor of Transit Windsor. The architect for these barns is believed to be James G. McLean (*Please see Appendix 10.4*). The two remaining barn buildings, East Barn and West Barn, are constructed of brick and are single storey structures.

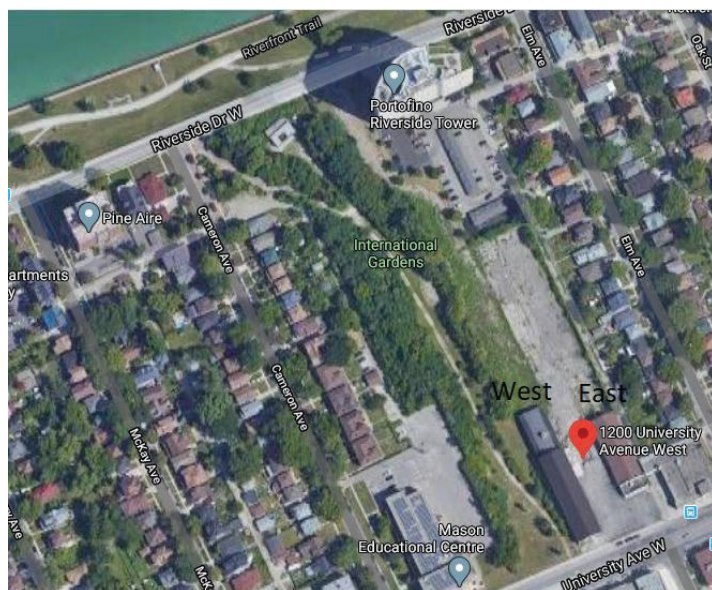


Figure 1: Satellite view of Streetcar Barns at 1200 University Avenue West, depicting the West and East Barns and their position adjacent to Canadian Pacific Railway lands beside the West Barn building. To the right of the East Barn is 1100 University Avenue West.

1200 University Avenue West – East Streetcar Barn Building



Figure 2: East Barn, note the new stucco finish and the new front which has been added to the south side. Don Loucks

The East Barn at 1200 University Avenue West is set back from the street. It was recently remodelled and is now covered with synthetic

stucco on the south and west sides. A new front portion was added to the south side, while the profile of the original south façade with its stepped parapet and five small arched insets have remained.



Figure 3: Original facade of East Barn.



Figure 4: Rear of 1200 University Avenue West, East Barn. Don Loucks

The north wall is original and there are shadow lines of a stepped brick parapet which indicates the presence of a former building attached to the rear of the West Barn. The east side, bordered by an alley, has regularly spaced concrete buttresses reinforcing the brick pilasters between the windows that carry the roof beams.



Figure 5: East Barn, side of barn with original brick and concrete.



Figure 6: East Barn at 1200 University Avenue West, adjacent to 1100 University Avenue West. Don Loucks.

1200 University Avenue West – West Streetcar Barn Building



Figure 7: West Barn - front façade. Don Loucks.

The West Barn building has two main sections. The south section is close to University Avenue West and contains many original character-defining attributes. These include on the south elevation a stepped parapet/gable with an arched window centred

above the streetcar doors. It also includes a low-sloped roof whose ridge runs the length of the building behind the gable and not visible from the street.



Figure 8: West Barn building – side of building. Vas Papadiamantopoulos



Figure 9: The window on the front façade which has the original window opening. Don Loucks

The outer frame of the original garage doors remain, though the larger streetcar doors have been replaced with smaller doors. The design of the east and west sides are fairly typical of the 19th century industrial design, with regularly spaced vertical, structural brick ribs, and rectangular windows with masonry sills. The main floor is at-grade at the south end with the roof trusses and underside of the roof exposed. There is a lower floor below the main building with access where the site grade slopes away from street level. Behind and attached to the main building at the lower level is a smaller, barrel-roof building.



Figure 10: West Barn building, rear, connected to barrel roof building. Don Loucks



Figure 11: The original frame of the original doors remain on the West Barn, although smaller doors have been filled in. Vas Papadiamantopoulos

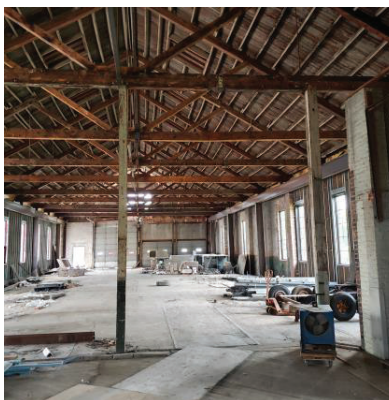


Figure 12: Inside the West Barn. Vas Papadiamantopoulos

1200 University Avenue West – West Barn Building – Barrel-Roof Building



Figure 13: Barrel-roof building, West Barn. Don Loucks.

The barrel-roofed building is considerably lower and smaller than the main, west car barn building that it is attached to. Large windows originally faced west. While the front portion of this building is a single storey, the north half of this section has a lower level.



Figure 14: Barrel-roof building, west side, showing former windows. Vas Papadiamantopoulos



Figure 15: Barrel-roof building, rear. Note the parapet design on the rear. Vas Papadiamantopoulos

The barrel-roof building has the remaining lower portion or base of a large square chimney. The outer brick walls of the building have been painted and there is a stepped parapet



Figure 16: Condition of rear of barrel-roof building

on the north end reflecting the parapet of the main west building. On the west side, there are arched windows and two sets of arched large wooden doors on the lower level; the upper level has small rectangular windows. The east side has a mix of doors and windows from the upper level and the lower level is below grade.



Figure 17: West Barn, where the barrel-roof building joins the south portion of building.

Context

The Streetcar Barns are some of the few remaining elements of Windsor's early 20th Century industrial heritage located within an area planned for redevelopment. This section of University Avenue West (formerly London Avenue West) was created for the sole purpose of transit (*Please see the Section 2 for the chronology of the site evolution in relationship to the Windsor urban context*).



Figure 18: University Avenue West, facing east. West Barn building (at 1200 University Avenue West) is noted with red arrow, the East Barn building is noted with green arrow, and 1100 University Avenue West is noted with blue arrow.



Figure 19: University Avenue West facing west. West Barn building (at 1200 University Avenue West) is noted with red arrow, 1100 University Avenue West is noted with blue arrow.

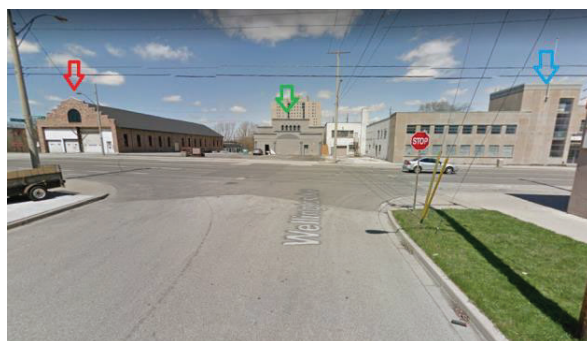


Figure 20: Looking north on Wellington Street towards 1100-1200 University Avenue West. West Barn (at 1200 University Avenue West) is noted with red arrow, East Barn is noted with green arrow and 1100 University Avenue West is noted with blue arrow.

1.2 Heritage Recognition

1200 University Avenue West, West Barn, and 1220 University Avenue West, East Barn, and 1100 University Avenue West are **listed** on the Heritage Registry for the City of Windsor.

1.3 Present Owner

Shabeg Singh
2605385 Ontario Inc. c/o AIPL Canada Holdings Inc.
545 King Street West
Toronto, Ontario M5V 1M1
shabeg@aiplcanada.ca

1.4 Contact Person

Shabeg Singh
2605385 Ontario Inc. c/o AIPL Canada Holdings Inc.
545 King Street West
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2. RESEARCH AND ANALYSIS

2.1 History

Public Transportation in varied forms has served Windsor since 1850. The streetcar barns are an architectural showpiece that speak to Windsor being one of, if not the first, city in Canada to run electric streetcars starting in 1887. By 1891 it was the first Canadian city with an all-electric transit when the SW&A was completely overhauled, extended, and fully electrified.

The following is a chronology of transit in Windsor and their connection to the Windsor Streetcar Barns:

1850	Early modes of public transport between Sandwich and Windsor were by stage and horse omnibus.
1865	The Windsor & Sandwich Street Railway propose horse cars, drawn on rails laid out on the City streets.
1872	Ontario Legislature passes an act in 1872, approves a horse drawn streetcar line. A new horse car company, the Sandwich & Windsor Passenger Railway, receives financial support for construction to revive the concept. Act is passed and Charter is obtained for a passenger railway between Sandwich and Windsor. Sandwich, Windsor & Amherstburg (S.W. & A.) Railway incorporates by Act of Legislation. The first directors named in the Act were James Fraser, Henry Kennedy, John B. Gauthier, Thos. H. Wright, Henry McAfee, William B. Hirons and William McGregor.
1872	The City of Windsor clears a 100-foot wide swath of land from Bruce Avenue west to Huron Line to create London Street (now University Avenue West)
1874	Charles J. Van Depoele immigrates to Detroit, Michigan from Belgium to develop his electric transit system.
1874	Windsor becomes the first city to adopt Van Depoele's system, as well as the first in Canada to have any type of electric streetcar system. Windsor's first streetcar company (The Sandwich and Windsor Passenger Railway) begins along a right-of-way on London Street (now University). The first local passenger vehicles travel from Windsor through Sandwich to the mineral springs. The company evolves into the SW&A.
20 July 1874	The six car trolley line opens
1880	The S.W.&A. forecloses.
28 May 1886	Windsor Electric Railway begins operation of first electric streetcar in Canada with steel wheels that run on tracks and overhead wires, replacing the horse-drawn streetcar system. The electric streetcars run on Tecumseh Road, Wyandotte Street, Ouellette Avenue, Parent Avenue, College Avenue, Lincoln Road, Seminole Street and Erie Street, as well as the Sandwich line that runs down University Avenue.

- 1887 St. Catharines follows suit with electric streetcars in 1887 and Toronto in 1889
The original streetcar line did not prosper and changed hands many times
The Sandwich, Windsor & Amherstburg Railway is reorganized after foreclosing in 1880 – it provides public transit for the next ninety years.
- 1891 Electric lines are introduced in August 1891
The Windsor-Walkerville Street Railway Company and the Windsor-Sandwich Street Railway Company merge to become the Sandwich, Windsor, and Amherstburg Street Railway (S.W.&A. Ry).
- 1891 **London Street trolley barns are built to equip the road for electric operation (these would become the Streetcar Barns at 1200 University Avenue West)**
- Aug. 15, 1891 The first electric cars on S.W.&A. Ry pull out from Windsor and make a trial trip to Sandwich and return
- 1893 Initially the track spans only a small portion of Windsor along the Windsor-Detroit waterfront on Riverside Drive – by 1893 the S.W.& A. Ry begins to expand its service southward with an extension along Ouellette Avenue.
- April 1893 A new company is formed comprising the following men: Dr. John Coventry (as president), John Davis, Geo. M. Henrie, W.J. Pulling, and W.J. McKee. That same year Ouellette Avenue/Driving Park extension was opened
- 1901 The Detroit United Railway purchases the road on August 31, 1901 and soon controls the whole S.W.&A. Ry system.
- 1920 Rails are built to Amherstburg, Tecumseh, Essex and Leamington by S.W.&A., and others, as well as a network within Windsor and Walkerville.
- May 4, 1922 Windsor begins to run Canada's first electric trolley bus - with poles, overhead wires, and rubber wheels in the Windsor suburb of Walkerville (called the Lincoln Road line). Some lines temporarily use the tracks already laid for the streetcars, and thus require only one overhead wire as opposed to dual wires.
- 1934 The automobile begins to rise in popularity and streetcar use begins to decline despite Windsor's rise of population in Windsor at the time
- 1930s The electric streetcar system provides an extensive and effective mode of transportation to the citizens of Windsor until the 1930s
The Great Depression leaves the world in financial turmoil
The streetcars are expensive to repair and begin to deteriorate
To cut costs, the S.W.&A. Ry begins to cut down some less-travelled and less-profitable routes on the track.
- 1935 The newly amalgamated City of Windsor (Sandwich, Windsor, Walkerville, and East Windsor) is unable to bear the financial burden of the S.W.&A. Ry.
- 1937 The Windsor Streetcar system is now extensive and services all five of the major riverfront communities of Windsor, Ford City (East Windsor), Sandwich, Walkerville, and Ojibway.
- 1937 Windsor decides to abandon the streetcar system in favour of a city bus system
- 1938 The first buses are purchased as a more viable and efficient alternative to streetcars – cheaper to purchase buses than repair the rails and the streetcars
- 1939 February 1939 all rail lines have been replaced.
The streetcar barns are now used for buses - until 1950s.

May 7, 1939	The last Windsor electric streetcar runs - the rails are removed and a city bus system has been in place ever since
	Streetcars are sold off for \$100 apiece – many are made into makeshift cottages
1949-1952	Windsor Rollerdrome moves into the East Barn at 1200 University Avenue West
1950s	Michael George Butler buys the buildings from the S.W.&A. Ry and starts a family business in the West Barn as a “Industrial Distributor” known as Butler Hardware
1977	The S.W.&A. is renamed Transit Windsor.
2000s	“The Junction” entertainment venue is located in the East Barn at 1200 University Avenue West
Present	Currently both buildings are vacant.

Transit Chronology:

The Sandwich and Windsor Passenger Railway (1872)
The Windsor Electric Railway (1886)
The Sandwich, Windsor & Amherstburg Railway (1887)
The City Railway Company of Windsor (1893)
South Essex Electric Railway (1896)
The Windsor & Tecumseh Electric Railway (1903)
Transit Windsor (1977)

3. STATEMENT OF SIGNIFICANCE

3.1 Design and Physical Value



**1200 University Avenue West
(East Barn)**

Figure 22: East Barn

Exterior features, and character-defining elements, that contribute to the design or physical value of the SW&A Railway Car Barns:

- Designed by architect James Grey McLean (*Please see Appendix 10.4*)
- Two-step parapet on front (south) façade
- Five small arched insets on front (south) façade
- Brick north wall with shadow lines of brick stair-stepping in pattern similar to parapet
- East wall has triangular concrete buttresses regularly spaced between brick bays with arched window locations



**1200 University Avenue West
(West Barn)**

Figure 23: West Barn

Exterior features, and character-defining elements, that contribute to the design or physical value of the SW&A Railway Car Barns

- Designed by architect James Grey McLean (*Please see Appendix 10.4*)
- Stepped parapet on front (south) façade
- Frames for original large garage doors on front (south) façade
- Brick envelope with regularly spaced integral, structural piers
- Rectangular windows with masonry sills
- Framing for original arched window on front (south) façade
- On north half of south section, lower-level windows facing west
- Barrel roof on lower north section, with base of a large square brick chimney
- Arched windows and two sets of arched large wood doors on the lower level of the north section
- Stepped parapet on brick wall at north end of north section

3.2 Historical, Associative and Contextual Value

1200 University Avenue West, which is comprised of two remaining properties, is the largest remaining facility for streetcars that were the primary public transportation in the region for over fifty years. Constructed in 1891, the “Car Barns” were built to house, repair and provide electricity for the major local streetcar franchise in Windsor, a trailblazer in Canadian streetcar transit.

Until the mid-20th century, local public transportation was operated by private, for-profit franchises. The first local passenger vehicles on rails, pulled by horses, were in 1874 from Windsor to Sandwich to the mineral springs down-river. To accommodate this transit operation a new route was created, a private right-of-way 100 feet wide along London Street, which became University Avenue West.

The Sandwich, Windsor & Amherstburg Railway was formed in 1887 to continue this passenger service, and electric rails were introduced in August 1891.

In 1891, three buildings were constructed at this site to house, repair and provide electricity for these new electric streetcars. In 1979, one of these buildings was destroyed by fire, two remain which exist at today’s address of 1200 University Avenue West.

By 1920, rails were built to Amherstburg, Tecumseh, Essex and Leamington by S.W. & A. Ry and others, as well as a network within Windsor and Walkerville. By 1930, all but one of the lines were owned by S.W. & A. Ry. By the end of the 1930s, coinciding with the Great Depression and the rise of the automobile, Windsor’s streetcar system was no longer cost effective. The first buses were purchased in 1938, and by February 1939 all rail lines had been removed as buses replaced streetcars. The car barns were used for buses until the 1950s.

Features that contribute to the historical value of the SW&A Railway Car Barns

- The Railway Barns are the largest remaining facility for streetcars that were the primary public transportation in the region for over fifty years.
- The barns were once owned by the SW&A Railway, formed in 1887, the largest and later the only streetcar franchise.
- The predecessor company began horse-drawn car service in 1874 from Windsor through Sandwich to the mineral springs own-river.
- The barns were built to facilitate electric lines which were introduced in August 1891; a competitor (later merged) began electric service by 1886 from Windsor to Walkerville
- By 1920, rails were built to Amherstburg, Tecumseh, Essex and Leamington by SW&A and others, as well as a network within Windsor and Walkerville.
- By 1939 all rail lines had been replaced by buses, which were repaired in the car barns until 1950s.

Features that contribute to the contextual value of the SW&A Railway Car Barns:

- Highly visible location of the east and west car barns at 1220 University Avenue West. They are a landmark in the area
- Location on University Avenue West (formally London Street), a street which was created for the sole purpose of transit, initially a private 100 foot-right-of-way for the streetcar line between Windsor and Sandwich.
- University Avenue West was once called London Street, which was constructed for the sole purpose of transit.

Features that contribute to the associative value of the SW&A Railway Car Barns:

- The barns at 1200 University Avenue West were designed by architect James Grey McLean (*Please see Appendix 10.4*).
- The predecessor of the electric railway streetcars were the electric streetcars pulled by horses, designed by Charles J. Van Depoele, a prolific inventor from Belgium who moved to Detroit and was instrumental in the creation of streetcars in Windsor. Van Depoele was granted at least 243 patents for various electric inventions in his lifetime including railway systems, lights, generators, motors current regulators, pumps, telfer systems, batteries, hammers, rock drills, brakes, a gearless locomotive, a coal-mining machine, and a pile-driver.¹

Features that contribute to the associative value of 1100 University Avenue West:

- The building was designed by architect Edwin Alexander Gardner (*Please see Appendix 10.4*).

¹ Obituary, "Charles J. Van Depoele." *Western Electrician*, 26 March 1892 (Volume 10, No. 13), p. 193

4. PROPOSED SITE CHANGE AND DEVELOPMENT

The existing buildings on site will remain in place and will be rehabilitated for commercial uses. 1200 University Avenue West (East Barn) is approximately 855 m² (9,200sf) and is located along the east side yard property line, and 83 metres from the rear property line. 1220 University Avenue West (West Barn) is approximately 1,352 m² (14,560sf) and located 3.4 metres from the west side yard property line. The barrel-roof portion of 1220 University Avenue West will be restored to accommodate approximately 940 m² of amenity space for the proposed residential building.

The proposed redevelopment project is intended to help revitalize the downtown core of Windsor and provide post-secondary students, professionals, and other local residents with additional affordable housing options. Access to the proposed development will be provided from University Avenue West and an existing sidewalk connection will connect the proposed development to the surrounding neighbourhoods.

The proposed development provides the addition of one (1) 5-storey, 123 unit residential building, and the renovation of the existing two (2) commercial buildings adjacent to compatible land uses. The surrounding area consists of a diverse mix of uses; single family homes to the east, a high density condominium building to the north, commercial buildings to the south, and open space to the west. The proposed development is compatible, fits well in the surrounding neighbourhood and provides additional housing and increased density.



The proposed re-use of these large brick and stone former Streetcar Barns to accommodate commercial and community uses will have a variety of positive impacts on this significant heritage resource in Windsor.

Figure 24: Proposed new development of site

This repurposing of the Streetcar Barns for a variety of commercial and community uses will continue the heritage narrative of the community's past while at the same time the re-animation of the Barn and the intensification of this downtown site will reflect Windsor's confidence and vision of the future.



Figure 25: Proposed new development of site



Figure 26: Proposed new development of site.

The proposed restoration of the Streetcar Barns is planned as part of the redevelopment of the larger site. A five storey residential complex is proposed for the northern portion of the site which will consist of 123 units. The new residents of this proposed project will undoubtedly have a positive impact on the commercial uses that are planned as part of the redevelopment of the Streetcar Barns.



Figure 27: Proposed new development of site.

This proposed repurposing process will have minimal adverse impacts on the cultural heritage attributes and values of this site.

The proposed repurposing of the Streetcar Barns has been planned to **avoid** the following adverse impacts:

- There will be no removal/destruction of heritage features and loss to cultural heritage values.
- There will be minimal changes to the historic fabric and impact on the appearance of the barns.
- There will be no shadowing impact that may alter the appearance of the heritage attributes.
- The proposed repurposing will not isolate the heritage attributes of the Streetcar Barns from their surrounding environment, context, or from other significant relationships.
- There will be no obstruction of significant views or vistas within, from, or of built and natural features.
- Land disturbance and impact on soils, drainage patterns affecting built heritage or archaeological resources will be minimized .

5. HERITAGE IMPACT OF PROPOSED DEVELOPMENT

We believe that the new construction of the proposed, residential Building D is a positive addition to the site, and it should be designed to be compatible and respectful to the existing heritage resources. The following suggestions/recommendations are intended to further integrate the new building design into the comprehensive redevelopment of the site while mitigating any negative impacts and capitalizing on the existing heritage assets:

- The design of the scale, massing and materiality of the new building is an opportunity to create visual and physical references and even linkages to the existing heritage Streetcar Barns. These references can be expressed in terms of form, material, and site location.
- The rear or north section of the site is appropriate to contain the required density of the new development. Increased massing in this location has the advantage of being visible from the street and will not overwhelm the existing one and two-storey streetcar barns.
- Removal of the front south addition of the east barn at 1200 University Avenue West is strongly encouraged to restore the original façade of the building. Otherwise, a design that would bring more visual prominence to the original facade is suggested (e.g. levelling the parapet of the addition and making the mass of the addition more discreet through introduction of large spans of vision glazing).
- All new glazing for the heritage buildings should be proportioned to fit the original openings.
- A glazed wall with access doors should be located behind the West Barn streetcar doors so that the original doors can remain open to provide visual and physical access through the glazed wall, to the interior, from the street.
- To avoid potential future moisture-driven deterioration of the heritage brick envelope of the streetcar barns it is recommended that the new commercial and community uses that are planned for the repurposing be designed as self-contained, free-standing elements within the space (*Please see Heating and Cooling under “Application for the Standards and Guidelines” section below*).

6. CONSERVATION AND PLANNING RATIONAL

From: Standards and Guidelines for the Conservation of Historic Places in Canada

Additional Standards Relating to Rehabilitation

10. *Repair rather than replace character-defining elements. Where character-defining elements are too severely deteriorated to repair, and where sufficient physical evidence exists, replace them with new elements that match the forms, materials and detailing of sound versions of the same elements. Where there is insufficient physical evidence, make the form, material and detailing of the new elements compatible with the character of the historic place.*
11. *Conserve the heritage value and character-defining elements when creating any new additions to an historic place or any related new construction. Make the new work physically and visually compatible with, subordinate to and distinguishable from the historic place.*
12. *Create any new additions or related new construction so that the essential form and integrity of an historic place will not be impaired if the new work is removed in the future.*

APPLICATION of the Standards and Guidelines for the Conservation of Historic Places in Canada:

- **Structural assessment** - Assess and prepare the scope of the structural stabilization work that is required and proceed with the most important. For example, it appears that the stabilization and restoration of the barrel-roofed rear portion of the west building should be done immediately.
- **Exterior envelope stabilization** - Assess and prepare the scope of the stabilization and restoration of the roof, exterior walls, doors, and windows. Prepare a schedule for this work that will include the reroofing, the repair and, replacement of damaged brick and stone, window, and door repair/replacement.
- **Phased interior redevelopment** - Given the extensive footprint of the Barns, a phased approach to the redevelopment of these spaces to respond to the market demand as it evolved is recommended.
- **Heating and Cooling** - The barns were originally constructed as unheated spaces so consideration should be given to building new free-standing insulated, heated, cooled, and ventilated spaces within the interior of the barns for commercial purposes. Pedestrian circulation would be around and within these stand-alone environments within the Barns. This redevelopment approach would mean that the original exterior walls would be unaltered and able to continue breathing. There would be no vapour barrier, insulation, and finish materials on the inside of the original brick envelope to

trap moisture in the brick which would result ultimately in their failure. This approach retains the heritage texture and appearance of both sides of the exterior envelop and can facilitate the phased redevelopment of the barns as the free-standing commercial units are added based on market demand.

- **Mechanical and Electrical Services** - Locate and combine wherever possible the future locations within the barns that will require, water, sanitary, electrical, and mechanical services. This consolidation of services should, as much as possible, be located below the ground floor so that their introduction to the space will have a minimal impact on the existing heritage fabric of walls, columns, beams, roof deck, floors etc.

7. ASSESSMENT OF EXISTING CONDITION

The following condition assessments are based on a visual assessment on June 3, 2020. Please see the addendum for additional photographs of the existing exterior and interior. A detailed structural and condition assessment for all three buildings is recommended.

1. 1200 University Avenue West West Barn

The west building is vacant and in stable and generally fair to good condition.



Figure 28: West Barn

2. 1200 University Avenue West West Barn - Barrel-Roof Building

The Barrel-Roof Building is in poor, to very poor condition as can be seen in the photographs provided in Appendix 10.3. A portion of the west wall has collapsed resulting in a roof truss failure and roof collapse.



Figure 29: Barrel-roof building

3. **1200 University Avenue West
East Barn**

The front section of the East Barn and the East Barn itself had been repurposed as a club and is now vacant with elements of the former use intact. Both sections appear to be in good condition.



Figure 30: East Barn

8. CONCLUSION

The S.W. & A. (Sandwich, Windsor and Amherstburg) Railway Car Barn buildings are a significant heritage resource for the City of Windsor. They are the largest remaining facility whose purpose was the repair and maintenance of streetcars that were the primary public transportation in the region for over fifty years. Constructed in 1891, the “Car Barns” were built to house, repair and provide electricity for the major local streetcar franchise in Windsor, a trailblazer in Canadian streetcar transit.

Their proposed restoration and repurposing will achieve two very important public benefits; their preservation will continue to embed the tangible heritage and streetcar history of the community into the Windsor narrative; their repurposing along with the adjoining residential development will contribute to the reanimation of this section of Windsor’s downtown.

9. APPENDICES

9.1 Maps

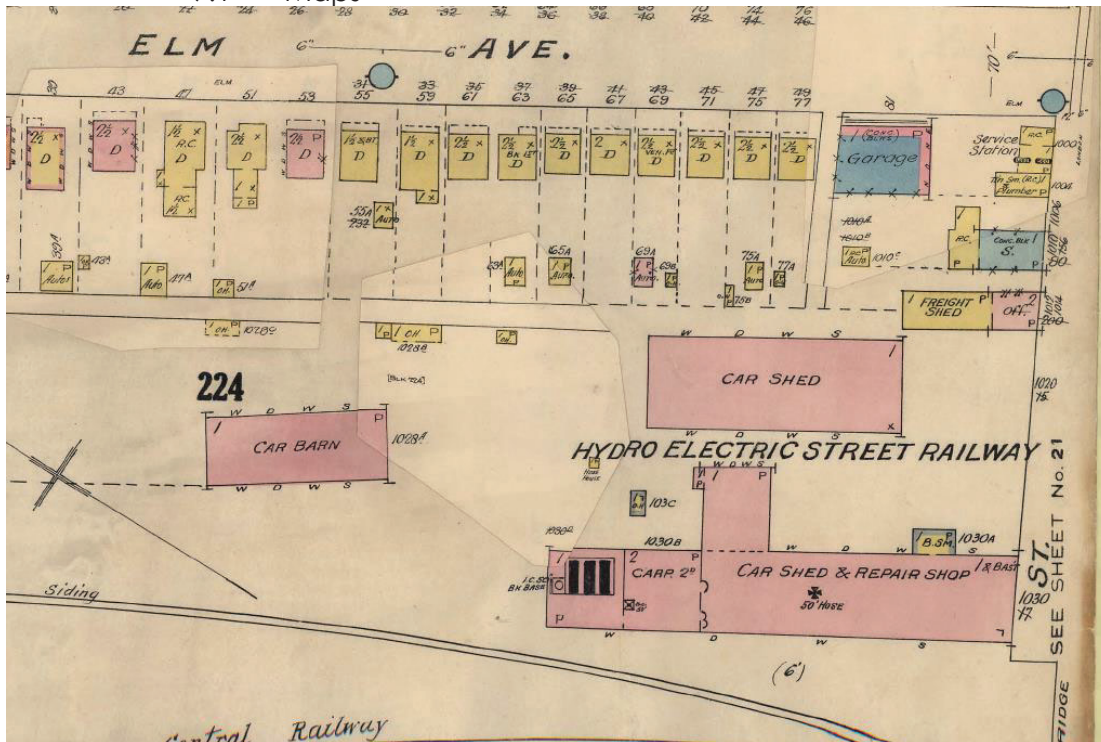


Figure 31: Goad's Insurance Map, 1924

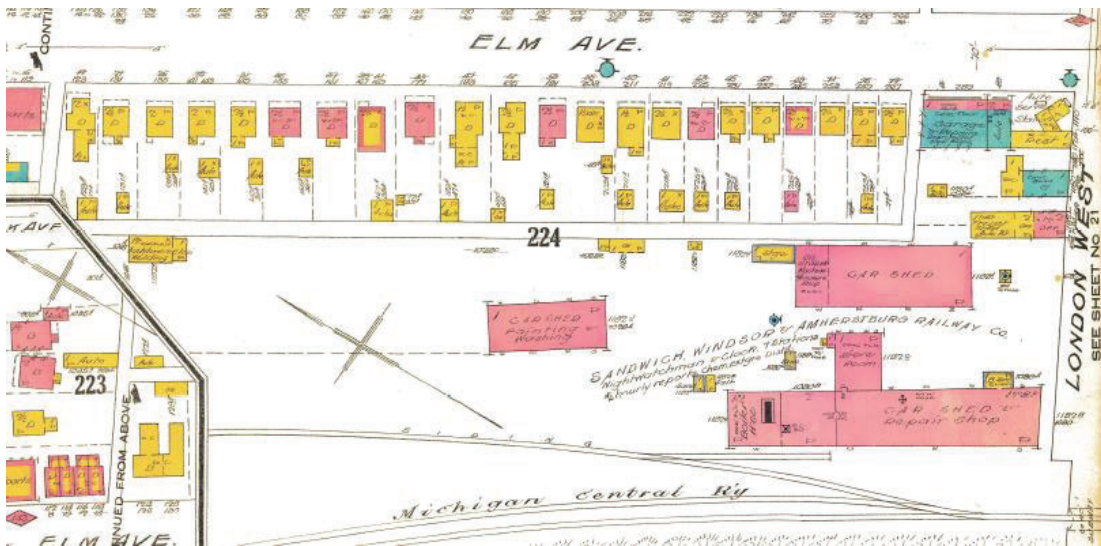


Figure 32: Goad's Insurance Map, 1937

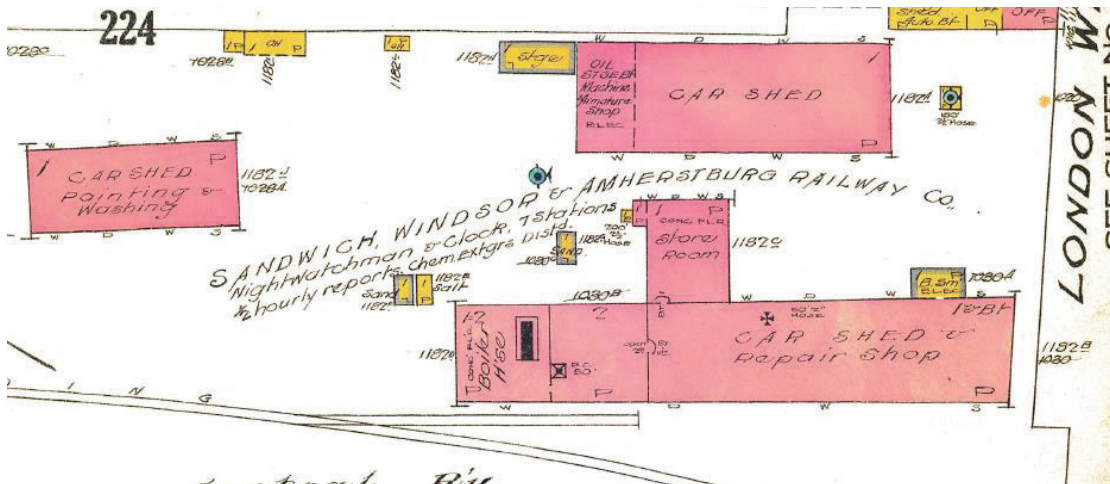


Figure 33: Goads Insurance Map, 1937 (zoomed in)

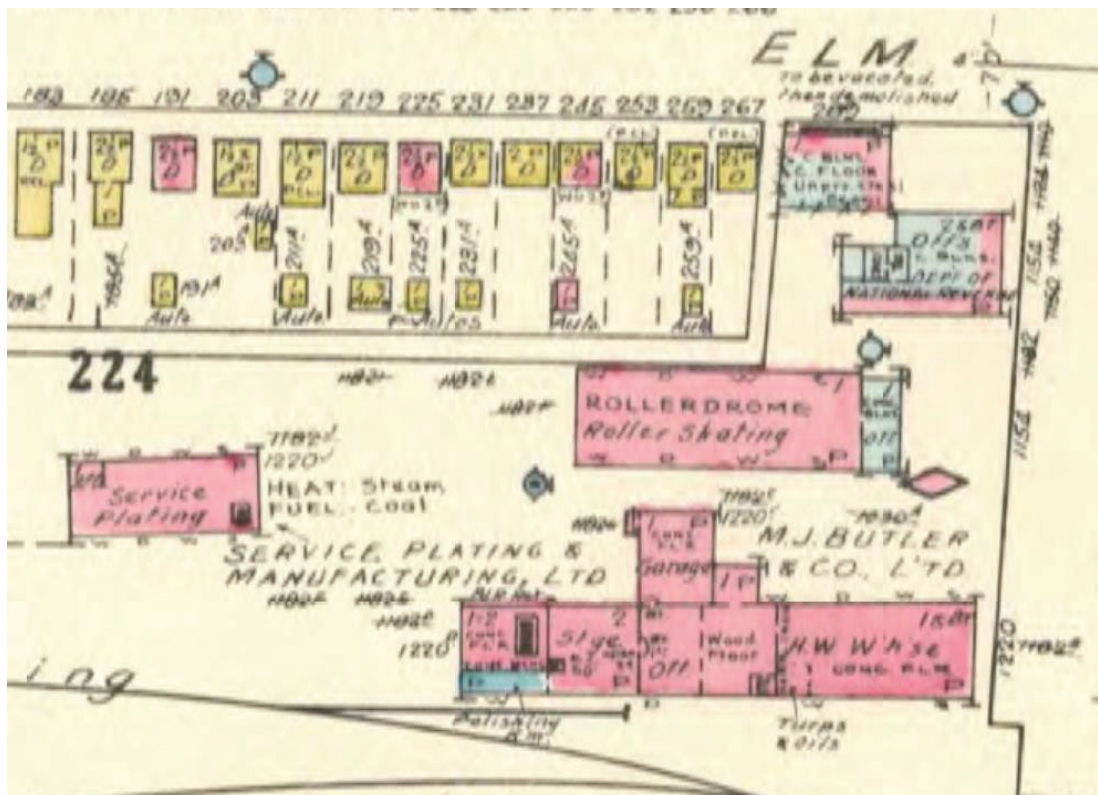


Figure 34: Goads Insurance Map, 1952

9.2 Images



Figure 35: Early horse-drawn streetcar or omnibus

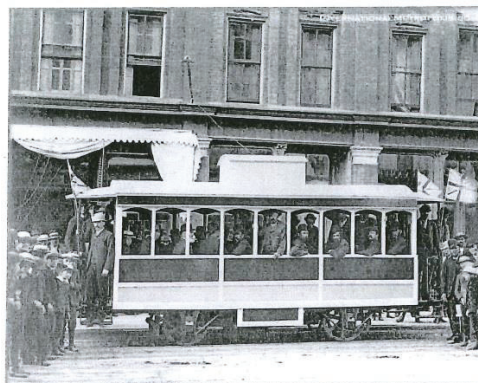


Figure 36: Sandwich Street, May 24, 1886, after the first trial run of Van Depoel's electric streetcar.

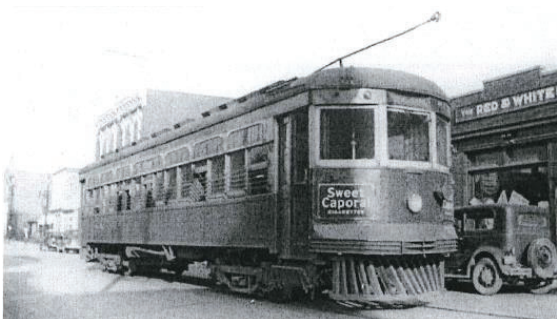


Figure 37: Early Streetcar

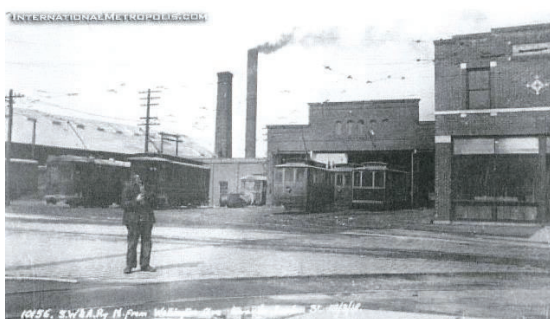


Figure 38: London Street (University Street) Car barns 1918



Figure 39: SW&A Railway - Car barns looking north, June 26, 1918.



Figure 40: Street facade of 1220 University Avenue West, west barn, circa early 1900s. Note original door openings.

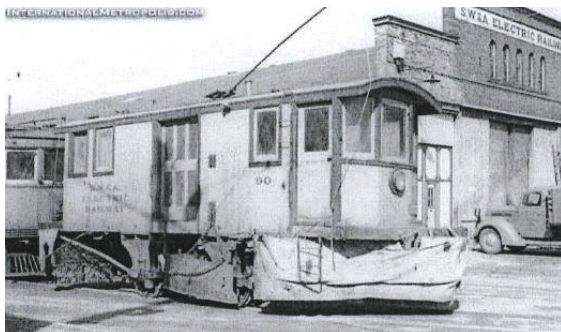


Figure 41: Streetcar No 90 in front of 1200 University Avenue West, east building.

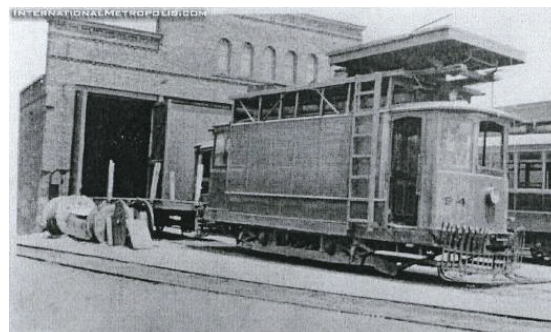


Figure 42: Car. No. 94 in front of 1200 University Avenue West, east building.



Figure 43: East car barn, likely 1930s



Figure 44: First trolley bus in Canada, built by the St. Louis Car Co. May 4, 1922 at Windermere and Cataraqui Streets



Figure 45: East car barn, converted for bus service



Figure 46: The S.W.&A. Terminal Yard in the late 1930s, East and West Barns have been converted to bus use. The roads still have rails while now having buses, marking a transitional time.



Figure 47: Architect's drawing of the S.W.&A. Railway Co. property showing garages, paint room and washroom, as well as the company bus fleet, on University Avenue West. City of Windsor P9891.



Figure 48: The S.W.&A. float in a First World War era parade float.



Figure 49: The S.W.&A. property, and its entrance on London Street West (now University Avenue West). In this image the buildings are labelled Garage No. 1 and Garage No. 2. Between the two buldings in the background is the Paint Room, formerly operating as the electric street car Power House for the company. A large chain-link fence with gatehouse encircles the property; part of the company bus fleet can be seen parked at right with other service vehicles and the S.W.&A. washroom can be seen in the background, behind the Paint Room. City of Windsor, P9893.



Figure 50: S.W. & A. Street Railway Washroom. View of the SW&A property on London Street (now University Avenue West) focusing on the bus washroom; part of the company bus fleet can be seen parked at right, along with the Detroit River and Detroit waterfront. City of Windsor, P9892.

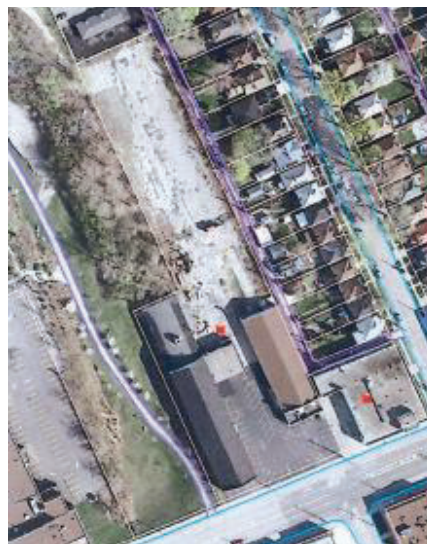


Figure 51: 2010 Aerial



Figure 52: West Barn, Google Streetview, 2012

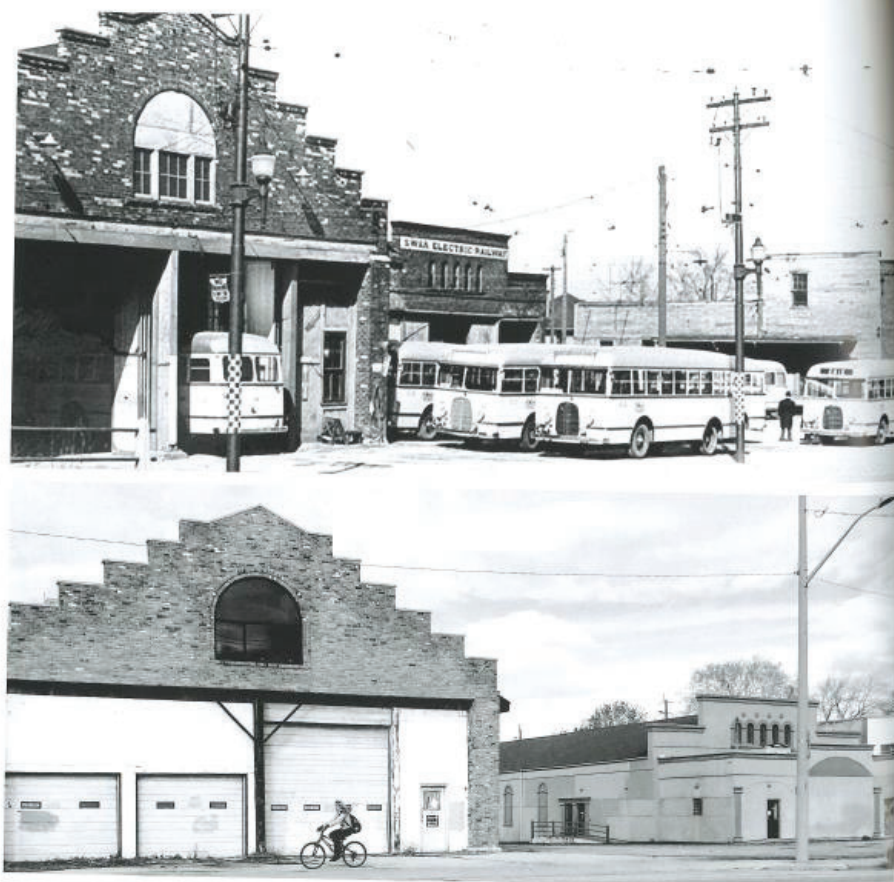


Figure 53: West Barn, 2012



Figure 54: East Barn 2012

122 WINDSOR: before & after



Sandwich Windsor & Amherstburg Electric Railway (S.W.&A) transit junction, University Avenue at the foot of Wellington, 1940s; the site has been rehabilitated, is currently vacant and faces an uncertain future (2019).

Figure 55: The Streetcar Barns, 1940s and today.

² Windsor: Before and After, Pg. 122

9.3 Site Photographs

1200 University Avenue West – East Barn



Figure 56: East Barn front facade



Figure 57: East Barn front façade



Figure 58: East Barn front facade



Figure 59: East Barn front facade



Figure 60: East Barn front facade



Figure 61: East Barn, west side of building



Figure 62: East Barn, west side of building



Figure 63: East Barn, rear and west side. Note the parapet brick pattern on the back wall of the building.



Figure 64: Rear of East and West Barns



Figure 65: Rear of East and West Barns



Figure 66: East side of East Barn with original brick wall, not painted.



Figure 67: East side of East Barn with original brick wall, not painted.

1200 University Avenue West – West Barn



Figure 68: West Barn



Figure 69: West Barn front façade



Figure 70: West Barn front façade



Figure 71: Door opening of West Barn



Figure 72: Door opening of West Barn



Figure 73: Front facade of West Barn, front window



Figure 74: West Barn, door alterations



Figure 75: Door opening of West Barn.



Figure 76: Door opening of West Barn.



Figure 77: Window opening in basement of West Barn

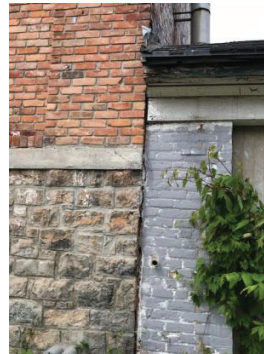


Figure 78: West Barn, where it connects to the "Barrel-Roof Building"



Figure 79: West Barn with Barrel-roof building at the rear



Figure 80: West Barn with Barrel-roof building at the rear



Figure 81: West Barn with Barrel-roof building at the rear.



Figure 82: Interior of East Barn

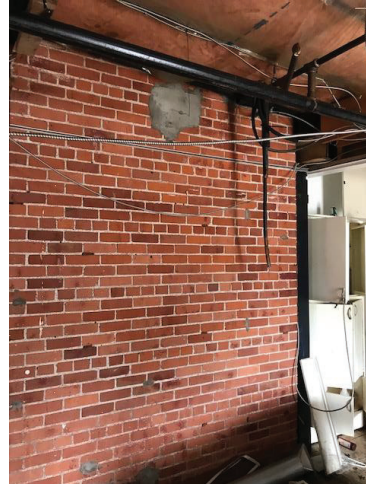


Figure 83: Interior of East Barn



Figure 84: Interior of East Barn



Figure 85: Interior of East Barn



Figure 86: Interior of East Barn

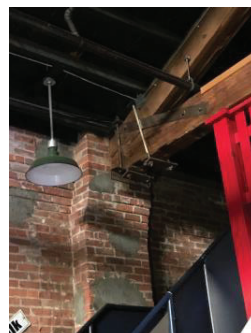


Figure 87: Interior of East Barn



Figure 88: Interior of West Barn



Figure 89: Interior West Barn



Figure 90: Interior of West Barn



Figure 91: Interior of West Barn



Figure 92: Interior of West Barn



Figure 93: Interior of West Barn



Figure 94: Interior Barrel-roof building



Figure 95: Interior Barrel-roof building



Figure 96: Interior Barrel-roof building



Figure 97: Interior Barrel-roof building



Figure 98: Interior Barrel-roof building



Figure 99: Interior Barrel-roof building

9.4 Complete List of Architect's Work

1200 University Avenue West

James Grey McLean (From Dictionary of Architects in Canada)

McLEAN, James Grey (1852-1916), an early architect active in Chatham, Ontario where his name is recorded in 1885 as advertising his professional services for "Plans and Specifications prepared for Buildings of all Descriptions" (Chatham Directory & County Gazetteer, 1885-86, 49, advert.). The following year he had formed a partnership with **James L Wilson**, as McLean & Wilson, but by 1888 he had left Chatham to open a new office in nearby Windsor, Ont. under his own name. He was a successful architect in that town for more than ten years, but in 1901 he closed his office and moved to Toronto to join the staff of the Ontario Dept. of Public Works at Queen's Park, and remained with that department until shortly before his death in Toronto at the age of 63 years on 17 January 1916 (obit. Chatham Daily Planet, 20 Jan. 1916, 5).

Works in Windsor

- WINDSOR HIGH SCHOOL, Ann Street at Goyeau Street, 1889 (London Free Press [London], 31 May 1889, 3)
- DAVIS BLOCK, Pitt Street, a three storey commercial block with six stores, 1889 (Detroit Free Press, 26 July 1889, 8)
- WINDSOR NOVELTY WORKS, Pitt Street at Ferry Street, a three storey brick factory, 1889 (Engineering & Building Record [New York], xx, 28 Sept. 1889, 252)
- CHATHAM STREET, residence for William Douglas, 1889 (Engineering & Building Record [New York], xx, 9 Nov. 1889, 344)
- unnamed street, a Public School, 1890 (Engineering & Building Record [New York], xxii, 21 June 1890, 48)
- PITT STREET, commercial block of stores and apartments for Mr. Fitzbridges, 1891 (C.R., xx, 23 May 1891, 2)
- CHILDREN'S HOME, 1894 (C.R., v, 18 Oct. 1894, 1)
- ANCIENT ORDER OF FORESTERS HALL, Goyeau Street, 1894 (C.R., v, 31 May 1894, 1)
- unnamed street, a large residence for Dr. A. Soper, 1895 (C.R., vi, 21 March 1895, 2)
- CURRY BLOCK, Ouellette Avenue at Pitt Street, commercial block for John Curry, 1895 (C.R., vi, 21 March 1895, 2)
- CRAWFORD AVENUE, extensive remodelling of residence for H.W.F. Ellis, 1895 (C.R., vi, 28 Nov. 1895, 2)
- unnamed street, pair of stores for J. Askew, 1896 (C.R., vii, 20 Aug. 1896, 2)
- LONDON STREET WEST, addition, and alterations to residence of James Atkinson, 1896 (C.R., vii, 20 Aug. 1896, 2)

Works Elsewhere

- WALKERVILLE, ONT., railway station for the Walkersville & Leamington Railway Co., 1888 (Detroit Free Press, 30 Sept. 1888, 5)
- KINGSVILLE, ONT. railway station for the Walkersville & Leamington Railway Co., 1888 (Detroit Free Press, 30 Sept. 1888, 5)
- LEAMINGTON, ONT., railway station for the Walkersville & Leamington Railway Co., 1888 (Detroit Free Press, 30 Sept. 1888, 5)
- SANDWICH, ONT., The Mineral Springs Hotel, Bedford Street, 1892-93 (London Free Press, 19 Nov. 1892, 3; C.R., iii, 26 Nov. 1892, 1)
- WALKERVILLE, ONT., large residence for John Bott, Second Avenue [now Devonshire Road], between Brant Street and Wyandotte Street, 1894 (C.R., v, 28 June 1894)
- CHATHAM, ONT., Central School, 1895, but plans by McLean later rejected by the Board of Education due to excessive cost, and a design by **J.L. Wilson** was accepted (C.R., vi, 5 Sept. 1895, 1; Evening Record [Windsor], 15 June 1896, 3)
- WALKERVILLE, ONT., residence for Robert Kerr, Lincoln Avenue, 1896 (Evening Record [Windsor], 5 June 1896, 8)
- GLENCOE, ONT., Town Hall & Fire Hall, 1898 (C.R., ix, 9 March 1898, 1)
- ESSEX COUNTY, summer cottage for John Curry, 1898 (C.R., ix, 9 March 1898, 1)

1100 University Avenue

Edwin Alexander Gardiner (From Dictionary of Architects in Canada)

GARDNER, Edwin Alexander (1902-1986), of Ottawa, Ont. held the position of Chief Architect for the federal Department of Public Works from 1952 until 1963 and in this capacity he was responsible for the design of all post office, customs and immigration buildings erected in Canada during this post-war period. Born in Pembroke, Ont. on 14 July 1902 he was educated at schools in Ottawa and graduated from the Dept. of Architecture at McGill University in 1927. He trained in the offices of several Ottawa architects including Richards & Abra (in 1922), with J. Albert Ewart (1923), and with Cecil Burgess, with whom he acted as an assistant until 1930 when Burgess invited him to form a partnership (see list of works under Burgess & Gardner). After the dissolution of their partnership in 1946 he joined the Dept. of Public Works, and in 1949 was appointed Assistant Chief Architect. He succeeded Gustave Brault as Chief Architect in 1952 and was nominated as a member of the Royal Canadian Academy in 1955. That same year he became a Fellow of the R.A.I.C. Gardner retired from the D.P.W. in March 1963 (biog. and port. R.A.I.C. Journal, xxix, May 1952, 157-8; xl, Feb. 1963, 89; inf. Ontario Assoc. of Architects). He died in Ottawa on 21 December 1986 (obit. and port. Ottawa Citizen, 24 Dec. 1986, B 3).

9.5 Architectural Drawings and Model Views





Figure 101: Rendering of proposed development, West Barn.



Figure 102: Rendering of proposed development.



Figure 103: Rendering of proposed development

Appendix 'F': Summary of Heritage Conservation Easements

Conservation easements are voluntary legal agreements between heritage property owners and the agency that will hold the easement in perpetuity. Easement are registered on title against the real property and runs with the real property, and may be enforced by the municipality against the owner or subsequent owners of the real property. In the City of Windsor, all 19 of the heritage properties that either have a heritage conservation easement registered in favour of either the City of Windsor or the Ontario Heritage Trust (OHT) are also individually designated heritage properties. The following table shows all 19 properties:

Location	Name or Type of Building	Built	Reasons for Consideration	Context	Easement	By-Law	Designation Date
325 Devonshire	Walker Power Building	c.1911-1913	Archaeological Turntable and Walkerville Historic Industrial Remant	Walkerville	City	115-2020	8/4/2020
350 Devonshire	Walkerville Town Hall	1904	Arch. Albert Kahn (moved 1995)	Walkerville	City	12398	12/4/1995
420 Devonshire	Walkerville Post Office	1914	Arch. Fed. Public Works	Walkerville	City	12756	11/25/1996
546 Devonshire	Semi-Detached House	c1890	Arch. Mason & Rice	Walkerville	City	9978	11/3/1989
548 Devonshire	Semi-Detached House	c1890	Arch. Mason & Rice	Walkerville	City	9979	11/3/1989
606 Devonshire / Wyandotte St E	Royal Bank of Canada	1922	Arch. D.J. Cameron	Walkerville	City	11938	8/29/1994
350 Huron Church Rd / University Ave W	Assumption Church	1845,1874	Arch. Robert Thomas Elliott; Mission 1748	Sandwich	OHT	5893	2/6/1978
795 McDougall St	Mount Zion Church of God in Christ	1939	Black History; Arch. J.P. Thomson	Core	City	132-2004	5/10/2004

351 Mill St	Arthur & Marie Langlois House	1888	Queen Anne Cottage	Sandwich	City	154-1998	5/19/1998
3203 Peter St	Mason-Girardot Manor	1878	Italianate/Victorian; Cast-Iron Fence	Sandwich	City	5896	2/6/1978
3652 Peter St (National Historic Site of Canada)	Sandwich First Baptist Church	1851	Built Black Underground Railroad Refugees	Sandwich	City	12124	2/20/1995
Riverside Dr W / Huron Church Rd / University Ave W	Assumption Park		Early Settlement; Landscape	Sandwich	OHT	10620	3/25/1991
3118 Sandwich St	McGregor-Cowan House	c1805-09	Georgian; French-Canadian chimneys	Sandwich	City	5814	10/3/1977
3277 Sandwich St	Mackenzie Hall / Essex County Court House	1855	Arch. A.H.Jordan, Bldr. Alexander Mackenzie	Sandwich	OHT	5894	2/6/1978
224 Sunset Ave	Jasperson-Appel House	1927	Arch. Nichols Sheppard & Masson	Sandwich	City	12689	9/30/1996
1255 Tecumseh Rd E	John Campbell School	1926-27	Arch. Nichols, Sheppard & Masson	S.Walkerville	City	68-2009	4/27/2009
2735 University Ave W / Huron Church Rd	Rosary Chapel & Sacristy	1908	Attached to Assumption Church	Sandwich	OHT	5893	2/6/1978
694 Victoria Ave	Abner Nash House	1895	Queen Anne Revival	Core	City	12086	1/16/1995
1900-42 Wyandotte St E	Imperial Bldg.	c1922	Arch. J.C. Pennington	Walkerville	City	10594	3/4/1991



Committee Matters: SCM 174/2021

Subject: Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways

Moved by: Councillor Holt
Seconded by: Councillor Sleiman

Decision Number: **DHSC 283**

- I. THAT the report of the Senior Planner – Policy & Special Studies dated March 17, 2021 entitled “Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways” **BE RECEIVED** for information; and,
- II. THAT the policy and process of informal naming of alleys and laneways **BE APPROVED**; and further,
- III. THAT the Report of the Senior Planner – Policy & Special Studies dated March 17, 2021 entitled “Response to CQ24-2020 - Officially Naming Alleys and Laneways” **BE INCLUDED** in the broader discussion when the report from the Office of the City Engineer related to Alley Standards Development moves forward to Council.

Carried.

Report Number: S 28/2021
Clerk's File: ST2021

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are **not** the same.
- b) Please refer to Item 11.1 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

Subject: Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways

Reference:

Date to Council: May 10, 2021
Author: Christopher Aspila MCIP, RPP
Senior Planner - Policy & Special Studies
Phone: 519-255-6543 x6446
Email: caspila@citywindsor.ca
Planning & Building Services
Report Date: March 17, 2021
Clerk's File #: ST2021

To: Mayor and Members of City Council

Recommendation:

- I. THAT Council **RECEIVE** this response to CQ24-2020 for information.

Executive Summary:

N/A.

Background:

At the Council meeting of August 24, 2020, Councillor Holt asked the following question:

CQ24-2020:

Asks that administration REPORT BACK to the Development and Heritage Standing Committee with a proposed policy that would permit an interactive neighbourhood process to officially name alleys and laneways, including budgetary impacts.

Clerk's File: ST2020 18.2 (August 24, 2020)

At the Development and Heritage Standing Committee of January 11, 2021, the report S 171/2020 titled: Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways was REFERRED back to Administration and is replaced by this report.

It is noted that there are currently multiple Council Questions regarding matters pertaining to alleys. The topic of this report is very narrow in the overall context of alley matters. The range of alley matters will be fully canvassed in a separate Council Question report being prepared by the Office of the City Engineer.

Discussion:

Alleys and laneways are a type of right-of-way on which no buildings or fences are allowed and have historically been used for the provision of municipal services, utility services or other services. While similar to streets, the naming of alleys and laneways has not been provided for in City-wide policies. The City of Windsor has a Street Name Assignment and Name Change Policy (CR22/2008) attached as Appendix 'A'.

There are generally six types of alley environments found in North America:

- a) Single-unit residential;
- b) Multi-unit residential;
- c) Commercial;
- d) Nightlife;
- e) Low-density mixed-use; and
- f) High-density mixed-use.

The naming of alleys and laneways is a practice in some large and mid-sized North American cities. A summary table that represents a non-exhaustive list of cities and their policies / procedures / guidelines is attached as Appendix 'B'. There are benefits to naming alleys and laneways and these are typically of an urban design and revitalization nature. By giving an alley or laneway a name, a sense of identity is created amongst the local community and perhaps an entire city and in some exceptional cases regionally, nationally or internationally. This can create feelings of pride for a neighbourhood that in turn can serve as an encouraging factor to further enhance the place. This contributes to opportunities for place-making to occur in alleys and laneways.

The alleys and laneways in Windsor exist in several types of urban environments including the high-density mixed use, low-density mixed use and nightlife-oriented alleys and laneways in the City Centre Planning District. Alleys and laneways also exist in mid-density or low-density commercial areas, typically in the Planning Districts surrounding the City Centre Planning District. In other parts of Windsor, alleys are found in areas that have predominately residential dwellings. The benefits that could be created from naming alleys and laneways are different in each of these types of urban environments. The next sections include discussion about alleys and laneways in each of these contexts.

There are two potential approaches that Council could take:

- i) Informal naming of alleys and laneways; or
- ii) Official naming of alleys and laneways similar to that of streets;

Informal Naming of Alleys and Laneways

This is probably the most effective and efficient way to name alleys in Windsor. This approach avoids the complexities posed by giving a formal name to an alley or laneway in the style of a municipal highway while still providing Council with the opportunity to recognize people and locations by granting an informal name to the alley or laneway. This can be done with a different manner of recognition, such as a ceremonial plaque that could be displayed at the entrances to the alley or laneway. The informal naming process could be based on the City's naming policy already in existence for City assets and could be brought forward on Council direction. The informal naming of alleys can be part of a placemaking approach that creates preliminary conditions for alleys to become successful. It is noted in Appendix 'B' that the City of Kingston, Ontario has a Commemoration Policy for the informal naming of alleys. The following is a list of elements that exist in successful alleys across North America:

- a) Good walking conditions;
- b) Pedestrians on nearby or connecting streets;
- c) Existing lighting;
- d) Welcoming building facades;
- e) Active businesses;
- f) Design for people / a human scale;
- g) Inviting for people to interact with each other;
- h) Presence of trash receptacles or containers;
- i) Plants and vegetation;
- j) Use by both pedestrians and vehicles;
- k) Positive night-time attributes; and
- l) Drainage elements.

In cities where successful alleys exist there has been a partnership between the city, the businesses and the residents. For development and revitalization to occur and be sustained, all three partner groups need to be involved. This is because there are three components to successful alleys: 1) the physical infrastructure, 2) the businesses that want to attract customers and, 3) the people who will live and use the alley. The need for partnership involves several aspects, the first being funding for capital and operational and maintenance expenses. If the interest exists to create and operate a successful alley at an agreed upon level of service then there are going to be costs incurred to provide that level of service. Generally speaking, the higher the level of service provided in the alley, the greater the costs will be.

Examples of alley components that improve upon the basic level of service present in most alleys could include:

- a) An alley-use marketing strategy and plan;
- b) Establishing an identity for the alley;
- c) Plants and gardens;
- d) Installing appropriate plant life that can have a positive impact on the alley's ecosystem;
- e) Welcoming alley facades including alley facing windows and doors at street level;
- f) Design alleys to accommodate water run-off;
- g) On-site storm water collection;
- h) Use of concrete for vehicle paths and highly-absorbent materials for other ground surfaces in the alley;
- i) Lighting for safety and ambiance that minimizes light pollution;
- j) Installation of canopies on buildings to create comfortable and intimate spaces for outdoor use;
- k) Sidewalks; and
- l) Furniture such as benches, chairs, cycling stations and bicycle racks.

Officially Naming Alleys and Laneways

Giving an official name to an alley or a laneway may result in unforeseen consequences that flow from the recognition of the alley or laneway as akin to a municipal road. Right now, these routes are seen as secondary access routes as opposed to recognized locations in their own right.

It is not desirable that it be assumed that these alleys and laneways would be maintained to the same standard as other municipal highways. To date, that has not been the City's approach; alley and laneway maintenance has been the responsibility of the abutting landowner(s) because there is a significant cost associated with taking on that work. It is noted that in other Ontario cities identified in Appendix 'B' that officially named alleys receive full municipal services.

Treating an alley like a municipal road also has an impact on components such as alley signage, the tracking of alley information in City databases such as those accessible through the EIS system, the provision of City services such as residential waste disposal, and emergency response.

The current 911 dispatching system is dependent on municipal addressing and relies on the street address of each property. As municipal addresses have not been assigned or

required in existing unassumed alleys and laneways, a call to a named alley would have to be cross-referenced to a recognized municipal address, which would require financial and staff resources to ensure that emergency services respond to the intended location. Most alleys in the City of Windsor are not appropriate for fire response, as they do not provide adequate access for any fire apparatus and in many cases cannot support the weight of the WFRS vehicles, and water access is not available in alleys. Additional comments from the Windsor Police Services are included in Appendix 'C'.

The process for formally naming streets requires City Council approval and adoption of a by-law for the creation of any new street name which is not created as part of a subdivision or condominium, as well as for changing the name of any existing street within the City of Windsor. CR22/2008 (Appendix 'A') includes criteria for selection of street names. In the context of this Council question, these policies for a street name change could be adapted to the naming of alleys or laneways.

The existing policy for a street name change requires a petition with the name, address and signatures of 80% of the assessed property owners/residents who reside or own property which fronts onto or is abutting the subject street.

The circulation and submission of a neighbourhood petition inherently results in interaction between the property owners/residents and the requirement for City Council approval provides the opportunity for interaction between the property owners/residents, Administration and City Council.

Risk Analysis:

There are no risks associated with receiving this report for information.

If Council wishes to engage in a formal naming process, there are a number of risks associated with doing so that are outlined in the discussion portion of this report. If Council wishes to engage in an informal naming process, the risks are minimal and would be addressed in a further report to Council with a proposed policy.

Climate Change Risks

Climate Change Mitigation:

N/A

Climate Change Adaptation:

N/A

Financial Matters:

There are no financial impacts associated with receiving this report for information.

There are financial impacts associated with officially naming and assuming alleys and laneways. These can be divided into four areas:

1. Planning Division

The current fees related to the Street Name Assignment and Name Change Policy are:

- a) Creation of a street name: \$320;
- b) Assignment of addresses/units: \$360 per address/unit;
- c) Assignment of street names, addresses/units within a proposed plan of subdivision or condominium: \$778 per street name/address/unit;
- d) Changing an existing street name: \$11,965.

Should Council wish to take further action and amend the Street Name Assignment and Name Change Policy as discussed in this report, the fee schedule would require updating to include matters pertaining to alleys and laneways and the addressing of properties on alleys and laneways.

II. Engineering - Operations

There are substantial Engineering capital and operating costs associated with the naming of alleys and laneways that would be subject to future budget processes. The expenses are outlined as follows:

a) Right-of-way (ROW) maintenance

ROW maintenance for paved alleys is provided by contracted services and subject to annual capital funding that has typically ranged from \$0 to \$200,000 for the entire city. ROW maintenance for gravel alleys is provided by City staff and is subject to funding in the operating budget. Grass alleys are not maintained by City staff.

b) Signage and maintenance

Signage, maintenance and database support are performed by City staff. An increase in the number of public highways will result in corresponding increases in the cost to deliver these services. While some initial fees could be captured through fees for the initial naming of alleys and laneways, operational costs including staff and materiel would be subject to future operating budget processes.

c) Residential waste collection

Residential waste is collected in 219 alley blocks. Removal of waste from alleys presents challenges related to the regular and ongoing maintenance of the alley including vegetation encroaching into the alley from abutting properties. The current contractor for waste collection in the City of Windsor has identified issues that pose a potential health and safety risk related to alley maintenance. The estimated cost of maintaining vegetation encroachments is \$540 per alley block per maintenance event. Alley maintenance related to residential waste collection is subject to future budget processes. Naming and assuming alleys and laneways would transfer the cost of alley and vegetation maintenance from the abutting property owners to the City of Windsor. In the context of residential

waste collection this would have an estimated cost of approximately \$120,000 annually.

III. Emergency Services

There are operational costs for the maintenance of databases used by the 911 and dispatching systems. These costs would be subject to future operational budgeting processes.

IV. Informally Naming Alleys and Laneways

The financial implications of informally naming alleys and laneways would be associated with maintaining a registry of informal alleys and laneways and costs with preparation and dedication of ceremonial plaques with the informal name.

Staff in the Finance Department have indicated that the costs associated with the manufacturing and installation of alley naming signs or ceremonial plaques can be defined as a capital project which also enhances an area. On that basis, should ward funds be available, they can be used to pay for these improvements.

Consultations:

Dwayne Dawson, Executive Director – Operations

Shawna Boakes, Senior Manager – Traffic Operations & Parking Services

Roberta Harrison, Maintenance Coordinator

Anne-Marie Albidone, Manager – Environmental Services

John Lee, Chief Fire Prevention Officer – Windsor Fire Rescue Services

Jude Malott, Executive Initiatives Coordinator

Wira Vendrasco, Deputy City Solicitor – Legal & Real Estate

Barry Horrobin – Windsor Police Services

Conclusion:

This report is provided to Council for information. There are options for formally or informally naming alleys and laneways; if Council wishes to proceed, Administration recommends an informal process.

Planning Act Matters:

N/A

Approvals:

Name	Title
Josie Gualtieri	Financial Planning Administrator
Michael Cooke	Manager of Planning Policy/Deputy City Planner
Thom Hunt	City Planner / Executive Director Planning & Building
Wira Vendrasco	Deputy City Solicitor – Legal and Real Estate
Shelby Askin Hager	City Solicitor and Corporate Leader Economic Development and Public Safety
Joe Mancina	Chief Financial Officer / City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Councillor Chris Holt	350 City Hall Square West – Suite 220, Windsor, ON, N9A 6S1	cholt@citywindsor.ca

Appendices:

Appendix 'A' – Street Name Assignment and Name Change Policy
Appendix 'B' – Summary Table of North American Alley Closing Policies
Appendix 'C' – Comments Received from Windsor Police Services
Appendix 'D' – Report S 171/2020

Appendix 'A' – Street Name Assignment and Name Change Policy

THE CORPORATION OF THE CITY OF WINDSOR

POLICY Service Area: Procedure No.:
Departments: **Building & Development** Approval Date: **January 21, 2008**
Division: **Development** Approved By: **CR22/2008**
Effective Date: **January 21, 2008**
Subject: **Street Name Assignment and Name Change Policy** Policy Ref.:
Pages: *Replaces:*
Date:

1. PURPOSE

1.1 To provide a street naming and renaming policy that promotes the City's positive image and identity through the use of street names that are indicative of Windsor's unique historical, geographic and cultural characteristics, and that assists in accurately pinpointing the location of properties, and Council's desire to protect the health and welfare of the public, by enabling emergency services to quickly attend to urgent situations. The efficient delivery of goods and services, including mail, is also a key objective.

1.2 This policy is consistent with the objectives of the Municipal Address Assignment & Address Change Policy (Appendix no. 2).

2. SCOPE

2.1 This policy applies to the assignment of names for all new streets, as well as the renaming of existing streets within the City of Windsor, in consultation with the adjacent municipalities of the Town of Lakeshore, the Town of LaSalle and the Town of Tecumseh.

3. RESPONSIBILITY

3.1 The Building & Development Department, Development Division is responsible for the coordination and assignment of new street names within the City of Windsor and providing City Council with recommendations regarding the renaming of existing streets.

3.2 City Council approval and adoption of a by-law is required for the creation of any new street (name) not created through the registration of a plan of subdivision or condominium and for changing the name of any existing street within the City of Windsor.

3.3 The City will give Public Notice of its intention to change the name of any existing street within the City of Windsor.

4. POLICY

4.1 The City of Windsor strives to ensure that all street names promote Windsor's civic identity. Street names shall be indicative of the distinctive social, historical, geographic or cultural characteristics and qualities of Windsor.

Selection of Names

4.2 That street names shall be chosen, wherever possible, to recognize the historical significance of figures, groups, neighbourhoods, places, landmarks and events within the City of Windsor that denote:

- a) the community's evolution and progress;
- b) the unique aspects related to the community's geographical location or other distinct characteristics;
- c) figures, events, milestones, and achievements the community may wish to acknowledge; or
- d) any name not covered in a) through c) above which has been endorsed by resolution of City Council.

4.3 A street name should not be given in recognition of any living person.

4.4 That there shall be no use of awkward, corrupt, discriminatory or derogatory names, in regard to race, sex, colour, creed, political affiliation, or other social factors.

4.5 That the Street Naming Policies, Guidelines and Procedures shall apply to both public and private roadways, condominium roadways, where names are deemed to be in the interest of public safety.

5. GUIDELINES

5.1 Street names must not be identical or similar sounding to any existing street name (both within the City and surrounding municipalities).

5.2 Homonyms, or names that are very close in pronunciation to existing street names, both within the City and surrounding municipalities are not permitted (Examples: Allen or Alan, Hinson or Henson). Likewise, names that are difficult to pronounce or have uncommon spellings of common names should be avoided (Example: Karen, not Cairyn).

5.3 Street Names, wherever practical, shall be only one-word names. It is strongly preferred the names not be hyphenated or quotes used.

5.4 Street extensions should continue with existing street names.

5.5 Substantiation is required for proposed street names, (Historical/Personal significance) if there is any. (i.e. person's last name).

6. STREET NAME TYPE DESIGNATIONS

Wherever possible the following street name type designations are to be followed:

6.1 Streets running in an East/West direction are to be designated as Streets.

6.2 Streets running in a North/South direction are to be designated as Avenues or Roads.

6.3 The same suffix name is generally retained for straight roads and streets upon the same alignment.

6.4 Narrow secondary streets having less than a 15.2 metre / 50-foot right-of-way, are to be designated as Lanes.

6.5 Wider collector streets, when separated by a planted median, may be designated as Boulevards or Drives.

6.6 Dead-end streets less than 305 meters / 1000 feet in length are to be designated as Courts.

6.7 Streets having 2 – entrances in the form of a loop or an „L“, are to be designated as Crescent, Circle or Way.

6.8 Any other designations are to be approved by Building & Development Department in consultation with Fire and Rescue Services.

While exceptions to the street name type designation guidelines have occurred as the result of 1965 and 2002 municipal annexations, as approved by the Windsor Utilities Commission, these guidelines are intended to reduce or eliminate exceptions especially where they may cause difficulty in navigation within the City.

7. NEW STREETS

7.1 The assignment of names for all new streets within the City requires the submission of an “Application to Create a Street Name or for Creation of

Street Names & Municipal Address Numbers within Plans of Subdivision/Condominium”, to the Building & Development Department, Development Division, for approval.

7.2 The Application must include a list of possible street names and appropriate mapping, illustrating the location of the new streets and their proposed names, as well as a non-refundable processing fee payable to the City of Windsor.

7.3 City Council approval and adoption of a by-law is required for the creation of any new street (name) not created through the registration of a plan of subdivision or condominium within the City of Windsor.

8. STREET NAME CHANGE

8.1 All street name changes require the submission of an “Application for Street Name Change”, to the Building & Development Department, Development Division, for acceptance of the submitted replacement street names and subsequent approval and adoption of a by-law by City Council.

8.2 The Application must include a proposed replacement street name and location, a sketch of the street and extent/segment of the road to be re-named, a petition with the name, address and signatures of 80% of the assessed property owners/residents who reside or own property which fronts onto or is abutting the subject street, and a non-refundable processing fee payable to the City of Windsor.

8.3 The City of Windsor reserves the right to rename any street, including duplicate street names, in the interest of public safety.

8.4 The City of Windsor shall not be responsible or liable for any costs associated with a street name change.

9. STREET NAME SIGNS

9.1 Street name signs shall be of such size and shape and constructed of such materials as required by the Public Works Department, in compliance with the Manual of Uniform Traffic Control Devices and the Ontario Traffic Manuals, and the City of Windsor Sign By-law 250-2004.

9.2 For all new streets associated with a Development Application, it shall be a condition of application approval that the applicant/developer must obtain City approval of the names for such streets and have street name signs erected to the satisfaction of the City.

9.3 Where the name of a street has been changed, the sign shall, unless deemed inappropriate or unnecessary by Administration, include a reference to the former name for a period of at least one year.

9.4 A street name sign may also include an address range to the street address numbers that are located within a street or any portion of a street.

10. NOTIFICATION

10.1 The City shall notify all internal departments, agencies/bodies and adjacent municipalities contained in the attached distribution list (Attachment No. 1), of the assignment of a new street name or change of an existing street name.

10.2 The City will give Public Notice, prior to consideration by Council, of its intention to change the name of any existing street and for all Applications for Street Name Changes within the city (Refer to Appendix 1A – Street Name Assignment & Name Change Procedure Procedures for details).

11. RECORDS, FORMS AND ATTACHMENTS

Records pertaining to the naming of streets will be retained according to the Records Retention By-law 12599, as amended

Appendix 'B' – Summary Table of North American Alley Closing Policies

City	Policy/Procedure/Guideline	Process	Full City Services
Ontario			
Barrie, ON	Municipal Naming Policy.	Council reviews on a case-by-case basis.	Yes
Burlington, ON	Naming of Corporate Assets Policy.	Council reviews on a case-by-case basis.	Yes
Greater Sudbury, ON	Recognition/Commemorative Naming of Municipal Buildings, Facilities, Open Space, Property, Parks and Street	Council reviews on a case-by-case basis.	Yes
Hamilton, ON	Street Naming and Renaming Policy and Guidelines.	Information not available.	Yes
Kingston, ON	Naming of Corporate Assets Policy*. Commemoration Policy#.	Council reviews on a case-by-case basis.	*Yes #No
Mississauga, ON	No formal policy.	Reviewed on a case-by-case basis by the Region of Peel Street Names Committee.	Yes
Oakville, ON	Street Names for Public Roads Procedure.	Council reviews on a case-by-case basis.	Yes
Ottawa, ON	Commemorative Naming Policy for Municipal Parks, Streets and Facilities. Considered by the Commemorative Naming Committee.	Administered by Recreation, Cultural and Facility Services.	Yes
Thunder Bay, ON	Civic Naming of Municipal Streets, Buildings, Structures and Recreational Facilities.	Council reviews on a case-by-case basis.	Yes
Toronto, ON	Alley for pedestrian. Lane for vehicle.	Council reviews on a case-by-case basis.	Yes
Elsewhere in			

Canada			
Edmonton, AB	Honorary named alleys as part of a revitalization project.	Project specific, subject to Council review.	No
USA			
Appleton, WI	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Cincinnati, OH	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Cleveland, OH	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Dickson, TN	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Fort Collins, CO	Delegated to the Downtown Development Authority.	Downtown Development Authority reviews on a case-by-case basis.	Yes
Hillsboro, OR	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Kent, DE	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
Minneapolis, MN	Street Naming Policy	Council reviews on a case-by-case basis.	Yes
Pittsburgh, PA	Street Naming Policy	Council reviews on a case-by-case basis.	Yes
Sacramento, CA	Central City Neighbourhood only.	Council reviews on a case-by-case basis.	Yes
Salem, OR	Street Naming Policy.	Council reviews on a case-by-case basis.	Yes
San Francisco, CA	Mission District only.	Council reviews on a case-by-case basis.	Yes
Seattle, WA	Pioneer Square Neighbourhood only.	Council reviews on a case-by-case basis.	Yes
St. Paul, MN	Hill District only.	Council reviews on a	Yes

		case-by-case basis.	
Tuscon, AZ	Street Naming Policy	Council reviews on a case-by-case basis.	Yes
Washington DC	1 alley officially named – Williams Alley in Columbia Heights neighbourhood. Initially the alley received a ceremonial name. Dwelling units with municipal addresses now exist fronting on to the alley.	Council reviews on a case-by-case basis.	Yes

Appendix 'C' – Windsor Police Services Comments

- A poll of whether alley/laneway naming occurs in other jurisdictions was taken with other police services, the results from which are as follows:

Name of Police Service/Municipality	Are Names Given to Alleys and Laneways?
Niagara Region	Niagara Regional Police serves 12 municipalities. Some have implemented alley/laneway names while others have not. In situations without names, the police rely on nearby landmarks and approximate geographic location in relation to cross streets.
Waterloo Region	Waterloo Regional Police serves a number of different municipalities but none utilize alley names that the police are aware of
London	Municipality does not have any alleys, save and except for a few in their downtown which do not have names associated with them
Halton Region	Halton Regional Police serve a number of different municipalities throughout the region and advised that many of them use alley names. Oakville was cited in particular as having the most alleys, all of which have names associated with them as identifiers.
Regina	Regina Police advise that alleys do not have names and the police rely on location of incidents via the nearest corresponding street address
Peel Region	Peel Regional Police serve a number of different municipalities with most, if not all of them, utilizing a naming system for alleys and laneways



Council Report: S 171/2020

Subject: Response to CQ24-2020 Regarding Officially Naming Alleys and Laneways

Reference:

Date to Council: January 11, 2021
Author: Christopher Aspila MCIP, RPP
Senior Planner - Policy & Special Studies
Phone: 519-255-6543 x6446
Email: caspila@citywindsor.ca
Planning & Building Services
Report Date: December 9, 2020
Clerk's File #: SAA2020

To: Mayor and Members of City Council

Recommendation:

- I. THAT Council **RECEIVE** this response to CQ24-2020 for information.

Executive Summary:

N/A

Background:

At the Council meeting of August 24, 2020, Councillor Holt asked the following question:

CQ24-2020:

Asks that administration REPORT BACK to the Development and Heritage Standing Committee with a proposed policy that would permit an interactive neighbourhood process to officially name alleys and laneways, including budgetary impacts.

Clerk's File: ST2020 18.2 (August 24, 2020)

Discussion:

Alleys and laneways are a type of right-of-way on which no buildings or fences are allowed and have historically been used for the provision of municipal services, utility services or other services. While similar to streets, the naming of alleys and laneways has not been provided for in City-wide policies. The City of Windsor has a Street Name Assignment and Name Change Policy (CR22/2008) attached as Appendix 'A'. There are two potential approaches that Council could take:

- iii) Official naming of alleys and laneways similar to that of streets; or
- iv) Informal naming of alleys and laneways.

Officially Naming Alleys and Laneways

Giving an official name to an alley or a laneway may result in unforeseen consequences that flow from the recognition of the alley or laneway as akin to a municipal road. Right now, these routes are seen as secondary access routes as opposed to recognized locations in their own right.

It is not desirable that it be assumed that these alleys and laneways would be maintained to the same standard as other municipal highways. To date, that has not been the City's approach; alley and laneway maintenance has been the responsibility of the abutting landowner(s) because there is a significant cost associated with taking on that work.

Treating an alley like a municipal road also has an impact on components such as alley signage, the tracking of alley information in City databases such as those accessible through the EIS system, the provision of City services such as residential waste disposal, and emergency response.

The current 911 dispatching system is dependent on municipal addressing and relies on the street address of each property. As municipal addresses have not been assigned nor required in existing unassumed alleys and laneways, a call to a named alley would have to be cross-referenced to a recognized municipal address, which would require financial and staff resources to ensure that emergency services respond to the intended location. Most alleys in the City of Windsor are not appropriate for fire response, as they do not provide adequate access for any fire apparatus and in many cases cannot support the weight of the WFRS vehicles, and water access is not available in alleys.

The process for formally naming streets requires City Council approval and adoption of a by-law for the creation of any new street name which is not created as part of a subdivision or condominium, as well as for changing the name of any existing street within the City of Windsor. CR22/2008 (Appendix 'A') includes criteria for selection of street names. In the context of this Council question, these policies for a street name change could be adapted to the naming of alleys or laneways.

The existing policy for a street name change requires a petition with the name, address and signatures of 80% of the assessed property owners/residents who reside or own property which fronts onto or is abutting the subject street.

The circulation and submission of a neighbourhood petition inherently results in interaction between the property owners/residents and the requirement for City Council approval provides the opportunity for interaction between the property owners/residents, Administration and City Council.

Informal Naming of Alleys and Laneways

In order to avoid the complexities posed by giving a formal name to an alley or laneway in the style of a municipal highway, Council can still ensure recognition of people and locations by granting an informal name to the alley or laneway. This can be done with a different manner of recognition, such as a ceremonial plaque that could be displayed at the entrances to the alley or laneway. The informal naming process could be based on the City's naming policy already in existence for City assets and could be brought forward on Council direction.

Risk Analysis:

There are no risks associated with receiving this report for information.

If Council wishes to engage in a formal naming process, there are a number of risks associated with doing so that are outlined in the discussion portion of this report. If Council wishes to engage in an informal naming process, the risks are minimal and would be addressed in a further report to Council with a proposed policy.

Climate Change Risks

Climate Change Mitigation:

N/A.

Climate Change Adaptation:

N/A.

Financial Matters:

There are no financial impacts associated with receiving this report for information.

Officially Naming Alleys and Laneways

There are financial impacts associated with officially naming and assuming alleys and laneways. These can be divided into four areas:

Planning Division

The current fees related to the Street Name Assignment and Name Change Policy are:

- e) Creation of a street name: \$320.00;
- f) Assignment of addresses/units: \$349.00 per address/unit;

- g) Assignment of street names, addresses/units within a proposed plan of subdivision or condominium: \$752.00 per street name/address/unit;
- h) Changing an existing street name: \$11,562.00.

Should Council wish to take further action and amend the Street Name Assignment and Name Change Policy as discussed in this report, the fee schedule would require updating to include matters pertaining to alleys and laneways and the addressing of properties on alleys and laneways.

Engineering - Operations

There are substantial Engineering capital and operating costs associated with the naming of alleys and laneways that would be subject to future budget processes. The expenses are outlined as follows:

- d) Right-of-way (ROW) maintenance

ROW maintenance for paved alleys is provided by contracted services and subject to annual capital funding that has typically ranged from \$0 to \$200,000 for the entire city. ROW maintenance for gravel alleys is provided by City staff and is subject to funding in the operating budget. Grass alleys are not maintained by City staff.

- e) Signage and maintenance

Signage, maintenance and database support are performed by City staff. An increase in the number of public highways will result in corresponding increases in the cost to deliver these services. While some initial fees could be captured through fees for the initial naming of alleys and laneways, operational costs including staff and materiel would be subject to future operating budget processes.

- f) Residential waste collection

Residential waste is collected in 219 alley blocks. Removal of waste from alleys presents challenges related to the regular and ongoing maintenance of the alley including vegetation encroaching into the alley from abutting properties. The current contractor for waste collection in the City of Windsor has identified issues that pose a potential health and safety risk related to alley maintenance. The estimated cost of maintaining vegetation encroachments is \$540 per alley block per maintenance event. Alley maintenance related to residential waste collection is subject to future budget processes. Naming and assuming alleys and laneways would transfer the cost of alley and vegetation maintenance from the abutting property owners to the City of Windsor. In the context of residential waste collection this would have an estimated cost of approximately \$120,000 annually.

Emergency Services

There are operational costs for the maintenance of databases used by the 911 and dispatching systems. These costs would be subject to future operational budgeting processes.

Informally Naming Alleys and Laneways

The financial implications of informally naming alleys and laneways would be associated with maintaining a registry of informal alleys and laneways and costs with preparation and dedication of ceremonial plaques with the informal name.

Consultations:

Dwayne Dawson, Executive Director – Operations

Shawna Boakes, Senior Manager – Traffic Operations & Parking Services

Roberta Harrison, Maintenance Coordinator

Anne-Marie Albidone, Manager – Environmental Services

John Lee, Chief Fire Prevention Officer – Windsor Fire Rescue Services

Jude Malott, Executive Initiatives Coordinator

Wira Vendrasco, Deputy City Solicitor – Legal & Real Estate

Conclusion:

This report is provided to Council for information. There are options for formally or informally naming alleys and laneways; if Council wishes to proceed, Administration recommends an informal process.

Planning Act Matters:

N/A

Approvals:

Name	Title
Josie Gualtieri	Financial Planning Administrator
Michael Cooke	Manager of Planning Policy/Deputy City Planner
Thom Hunt	City Planner / Executive Director Planning & Building
Wira Vendrasco	Deputy City Solicitor – Legal and Real Estate
Shelby Askin Hager	City Solicitor and Corporate Leader Economic Development and Public Safety

Name	Title
Joe Mancina	Chief Financial Officer / City Treasurer
Onorio Colucci	Chief Administrative Officer

Notifications:

Name	Address	Email

Appendices:

Appendix 'A' – Street Name Assignment and Name Change Policy



Committee Matters: SCM 175/2021

Subject: Response to Council Question 26-2018 and Council Resolution 560-2019 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages, Ward 3 and Ward 4

Moved by: Councillor Holt
Seconded by: Councillor Morrison

Decision Number: **DHSC 284**

- I. THAT the report of the Planner III – Special Projects dated April 16, 2021 entitled “Response to Council Question 26-2018 and Council Resolution 560-2019 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages, Ward 3 and Ward 4” **BE RECEIVED** for information

Carried.

Report Number: S 42/2021
Clerk’s File: SPL2021

Clerk’s Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 11.2 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

Subject: Response to Council Question 26-2018 and Council Resolution 560-2019 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages, Ward 3 and Ward 4

Reference:

Date to Council: May 10, 2021
Author: Laura Diotte, MCIP, RPP
Planner III - Special Projects
519-255-6543 ext. 6396
lbdiotte@citywindsor.ca

Planning & Building Services
Report Date: April 16, 2021
Clerk's File #: SPL2021

To: Mayor and Members of City Council

Recommendation:

- I. THAT Report S42/2021 **BE RECEIVED** for information.

Executive Summary:

N/A

Background:

On October 14, 2018, Councillor Bortolin asked that:

...administration (Planning Department) report back with potential options and timelines for potentially adding secondary suites to our downtown CIP incentive packages as a result of the recent By-Law change.” (CQ 26-2018)

Administration responded with Report C159/2019 (attached as Appendix A) on November 18, 2019 indicating that an amendment to the Downtown CIP is required to be able to offer incentives for the creation of second units. The recent amendments to the *Planning Act* have lifted barriers to creating second units and the City has amended the Official Plan and Zoning By-law to permit accessory dwelling units in single detached, semi-detached and townhouse dwelling units and/or accessory structures, subject to meeting the official plan policies and zoning provisions. Staff did not recommend adding financial incentives for second units to the Downtown CIP and indicated that the effectiveness of the current financial incentive programs and determination of additional financial incentive programs will take place during the five (5) year review of the Downtown CIP in 2022.

In response to Report C159/2019, Council passed Council Resolution 560/2019:

That the report of the Planner III Special Projects dated September 6, 2019 entitled "Response to Council Question 26-2018 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages" BE REFERRED back to administration to report back after the incremental development workshops and clinics take place; and, that the report PROVIDE details related to the outcomes and possible obstacles related to holding back development of Secondary Suites and information related to other potential incentives such as Ontario Renovates.

In 2019 the City of Windsor Official Plan and Zoning By-law 8600 were further amended to implement *Bill 108 - More Homes, More Choice Act*. The amendments to the Official Plan and Zoning By-law changed the terminology from Second Unit to Accessory Dwelling Unit (ADU), and permits an ADU within the primary structure (single detached, semi-detached or townhouse/rowhouse dwelling) and/or within a building accessory to these dwelling types, for a total of three permitted dwelling units per residential lot. The by-laws that implemented these changes went into effect on June 26, 2020.

Additional Dwelling Units (also known as an ADUs, Second Units, accessory or basement apartments, secondary suites, carriage houses, laneway suites and in-law flats) are self-contained residential units with kitchen and bathroom facilities within dwellings or within accessory structures (for example, within a detached garage).

The purpose of this report is to provide Council with an update of ADU activity, outcomes of the Incremental Development Alliance Boot Camps, and an update on other incentives offered for ADUs.

Discussion:

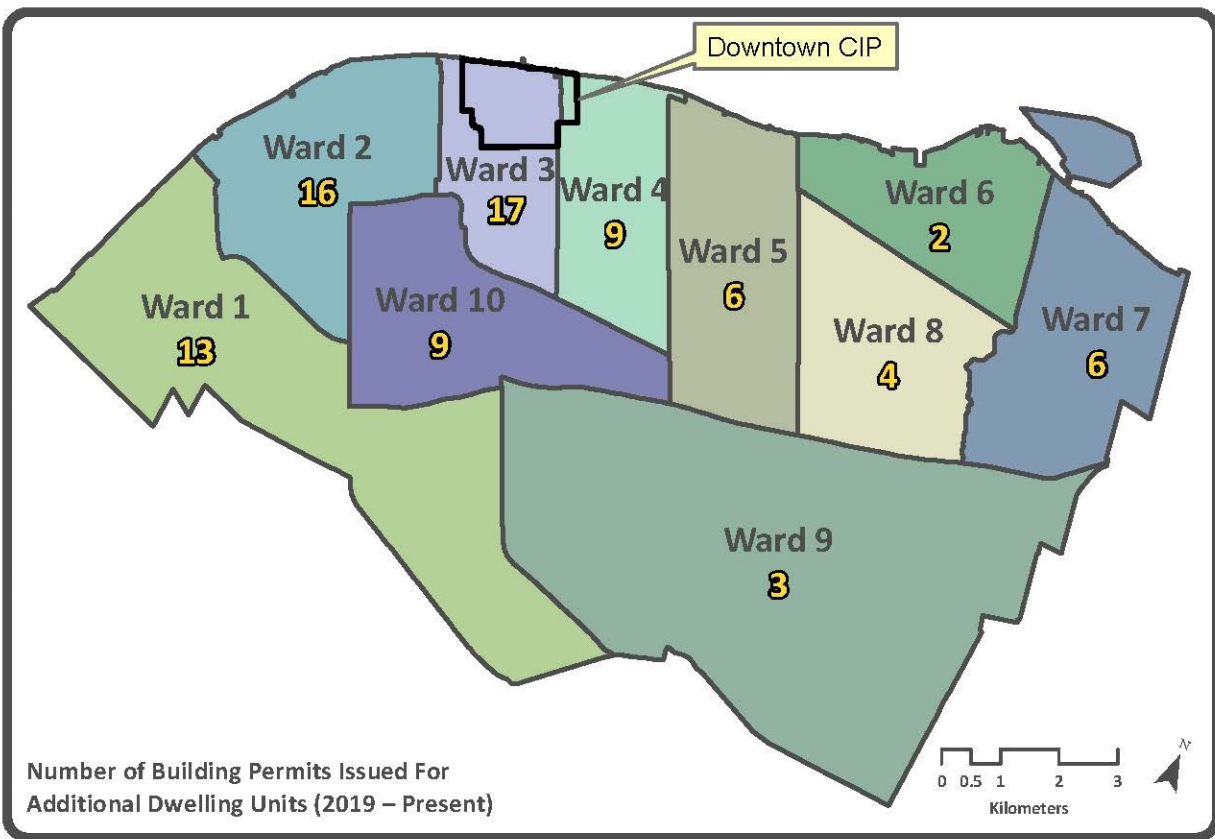
Official Plan and Zoning By-law – Accessory Dwelling Units (ADU)

As previously mentioned, the Official Plan and Zoning By-law now permit ADUs in residential areas in single detached, semi-detached and townhouse/rowhouse dwellings and/or within a building accessory to these dwelling types. Before the amendments to the City of Windsor Official Plan and Zoning By-law 8600, approvals for an ADU

required applicants to apply for a zoning by-law amendment which required a fee (\$4,400) and approximately 6 months approval time before being able to apply for a building permit. With the new Official Plan and Zoning By-law provisions in place an applicant can go directly to the building permit stage if they meet the Official Plan policies and zoning by-law provisions. This policy change could be viewed as an incentive not only to create ADUs, as the process is streamlined by reducing time, but also a financial incentive due to the fact that a zoning amendment fee is no longer required for ADU approvals.

Since 2019, 85 building permits have been issued for ADUs within the City of Windsor. As shown on Map 1 below, the majority of the building permits for ADUs are located within Wards 1, 2, and 3, but building permits for ADUs have been issued in every ward across the City. Specifically, 8 building permits have been issued for ADUs within the Downtown CIP boundary from 2019 to present.

MAP 1



Incremental Development Workshops and Clinics:

Incremental Development Alliance was retained by the City to conduct workshops, clinics, and boot camp training in Windsor. Incremental Development Alliance completed the training in the summer of 2020. The aim was to train and coach small local developers on small scale infill/incremental development. Boot camp participants were trained on how to create a development pro-forma, interpret relevant zoning by-

law provisions and other legislation, how to approach financing a project and the processes to follow for development for a specific real life development project. Two of the projects were ADUs within the Downtown CIP boundary:

- 524 Bruce Ave – Construct an ADU in a new accessory building.
- 773 Assumption – Construct an ADU in a new accessory building.

Although the Downtown CIP does not have a specific ADU grant program, the downtown project applicants worked with Planning staff to apply for the Building/Property Improvement Tax Increment Grant Program under the Downtown CIP. Upon consultation with Finance Department it has been determined that post construction estimates have resulted in an increase in municipal assessment. An increase of \$500 or more in municipal taxes would deem projects eligible for the tax increment grant program. This use of the tax base program, as an incentive, is viewed by Administration as more sustainable than administering a grant program from a project fund with limited funding. As stated, the program is already available in the CIP and been incorporated into approvals for the two projects located in the downtown. It should be noted that the proposal does need to meet the threshold of increasing municipal taxes by \$500 which, based upon current residential rates corresponds to an increase in assessment of at least \$30,813 annually. Through this process the Downtown CIP offers grants for ADUs.

Incremental Development Alliance reported back to Planning staff that boot camp participants noted that customer service and guidance through the application process was important to participants to reduce barriers to creating ADUs. As more applications are processed Building and Planning staff are able to offer more guidance. Additionally, a video explaining the policies and the process for creating an ADU is now available on the City's website to assist applicants (<https://www.youtube.com/watch?v=uAScTO-DFkk>). Incremental Development Alliance also noted a boot camp participant that proposed an ADU outside of downtown did not proceed with their project; however, their reasoning for not moving forward with their proposal was due to neighbourhood opposition and personal reasons rather than barriers at the municipal level.

Development Charges:

In order to reduce development costs and increase housing supply the *Development Charges Act* was amended by *Bill 108 - More Homes, More Choice Act, 2019* to exempt ADUs from development charges. The City of Windsor Development Charges By-law (By-law 1-2021) - that was passed on January 18, 2021 – reflects that full exemption. Therefore, ADUs in a single detached, semi-detached or townhouse/rowhouse, and/or in a building accessory to one of these unit types are exempt from development charges. This removes a barrier to creating an ADU as development charges can be a significant charge to development.

Ontario Renovates:

The City of Windsor's Housing Services department has the ability to offer a Second Residential Rental Unit Program accessing funds from the Investment in Affordable

Housing Programs (IAH and IAH-E) - Ontario Renovates Revolving Loan Fund. The Ontario Renovates Revolving Loan Fund is a fund that consists of repayments of Ontario Renovates loans from participants who have either:

- chosen to repay their forgivable loan in advance of their 10 - 15 year forgivable loan agreement or alternatively,
- defaulted on their Ontario Renovates loan agreement e.g., sale of property and therefore, were required to repay their loan in accordance with their loan agreement.

The ability to access funds through the Ontario Renovates Revolving Loan Fund is limited in nature and is subject to availability.

As per the Ministry of Municipal Affairs and Housing's program guidelines the Ontario Renovates Second Residential Rental Unit Program is intended to increase the supply of affordable housing and assist eligible low to moderate income home owners to:

- Create new second residential unit(s) in existing single family homes.
- Repair/rehabilitation to an existing second residential unit(s) to make it a legal unit.
- Repair/rehabilitation to an existing second residential unit(s) to make it accessible.

As previously reported in Council Report S 14/2021 – Implementation Update on the Windsor Essex 10 Year Housing and Homelessness Master Plan which was presented at the Community Services and Parks Standing Committee Meeting held on April 7, 2021, Housing Services was fully prepared to release a Second Residential Rental Unit Program on March 30, 2020 under the Investment in Affordable Housing – Extension (IAH-E) Ontario Renovates Revolving Loan Fund.

The release of the Second Residential Rental Unit Program has been paused by the Housing Services department in response to the COVID-19 pandemic, as in part the program requires building inspectors to complete on site reviews and contractors to have access to building supplies, which are currently in high demand and short supply.

Risk Analysis:

The report is for information purposes only and does not provide any recommendations to Council, therefore it is low risk.

Climate Change Mitigation:

This report does not propose a new project or any changes to existing policies to assess from a climate change lens, however it should be noted that ADUs are created within existing residential areas (i.e. – infill projects), therefore making more efficient use of existing resources and infrastructure. The creation of ADUs within existing built up areas reduces pressures on greenfield development and increasing density within existing residential areas creates more viability of public transportation.

Climate Change Adaptation: N/A

Financial Matters

This report does not recommend any changes to the Downtown CIP grant programs. Through coordinating with Incremental Development Alliance boot camp participants, projects that meet the minimum threshold of \$500/annual increase in municipal taxes qualify for the Building Property Improvement Tax Increment Grant Program to receive an annual grant in the amount of the increase in municipal taxes for a period of 5 years.

Additionally, applicants are no longer required to apply for a zoning amendment to create an ADU, and therefore are not subject to the fee of \$4,400, and ADUs are exempt from development charges.

Consultations:

David Dean, Senior Engineer/Plan Examiner, Building Division

Joe Baker, Manager of Permits/Deputy Chief Building Official, Building Division

Jolayne Susko, Coordinator, Housing Admin and Policy, Housing and Children's Services

Janice Guthrie, Deputy Treasure – Taxation, Treasury, and Financial Projects, Finance Department

Conclusion:

Barriers to the creation of ADUs have been removed by streamlined development process (for example, the time and fee associated with a zoning by-law amendment is no longer required) and ADUs are now exempt from development charges. Removing these barriers has been successful in incentivising the creation of ADUs. As shown on Map 1 ADUs are being created across the city, but are mainly located in the core neighbourhoods.

Through the Incremental Development Alliance boot camp training, participants were successful by working with Planning staff to apply for tax base grants under the Building/Property Improvement Grant Program under the Downtown CIP and were successful with proceeding with their developments.

Incentives under the Ontario Renovates program are currently on pause due to issues related to the pandemic.

Approvals:

Name	Title
Josie Gualtieri	Financial Planning Admin.

Name	Title
Neil Robertson	Manager of Urban Design
Thom Hunt	City Planner/Executive Director of Planning and Building Services
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Joe Mancina	City Treasurer/Chief Financial Officer
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
Councillor Bortolin		
Bob Cameron		bob@dwcc.ca

Appendices:

- 1 Appendix A - Report C159-2019

Subject: Response to Council Question 26-2018 Regarding Adding Secondary Suites to Downtown CIP Incentive Packages

Reference:

Date to Council: October 15, 2019
Author: Laura Diotte, MCIP, RPP
Planner III - Special Projects
519-255-6543 ext. 6396
lbdiotte@citywindsor.ca

Planning & Building Services
Report Date: September 6, 2019
Clerk's File #: SPL2019

To: Mayor and Members of City Council

Recommendation:

- I. THAT Report C159 /2019 **BE RECEIVED** for information.

Executive Summary:

N/A

Background:

On October 14, 2018, Councillor Bortolin asked that:

...administration (Planning Department) report back with potential options and timelines for potentially adding secondary suites to our downtown CIP incentive packages as a result of the recent By-Law change.” (CQ 26-2018)

Second Units: Second units (also known as accessory or basement apartments, secondary suites and in-law flats) are self-contained residential units with kitchen and bathroom facilities within dwellings or within accessory structures (for example, within a detached garage). As part of the Province's Long Term Affordable Housing Strategy, the *Planning Act* was amended to require that municipalities authorize second units in their official plans and zoning by-laws. The City of Windsor amended the City of Windsor Official Plan and Zoning By-law 8600 in November 2018 and second units are now permitted in single detached, semi-detached, and townhome/rowhouse dwellings or within buildings accessory to these dwelling types, subject to meeting the applicable zoning provisions and building permit requirements.

Further, on September 3, 2019 the *Planning Act* was amended to change the terminology from second unit to additional dwelling unit. The *Planning Act* amendments now require that municipal official plans contain policies that permit an additional dwelling unit within a single detached, semi-detached, or townhome/rowhouse dwelling **and** an accessory structure on the same property (i.e. up to a total of three residential units). Previously, an additional dwelling unit was permitted in the primary dwelling **or** an accessory structure, not both. The City of Windsor has not yet updated the Official Plan and Zoning By-law to recognize this most recent amendment to the *Planning Act*, since it has just been proclaimed into force.

In order to create a second unit an owner must meet the requirements under the *Ontario Building Code*, obtain a building permit and meet the zoning provisions/official plan policies. Before the changes to the *Planning Act* most municipalities required a site-specific zoning amendment. The zoning amendment process would have taken 6 to 8 months to process, included an application fee of \$4,408 and did not guarantee approval. Therefore the changes to the *Planning Act* and the City of Windsor Official Plan and Zoning By-law have made it less expensive and significantly reduced the regulatory barriers to creating a second unit.

Creating a legal and safe second unit requires compliance with the *Ontario Building Code* and would likely require an owner to retain the assistance of a designer/architect to design the second unit. Typical sections of the *Ontario Building Code* that need to be addressed through a building permit for a second unit are as follows:

- 9.4 – Structural Requirements
- 9.5 – Design of Area, Spaces and Doorways
- 9.7 – Windows, Doors and Skylights
- 9.8 – Stairs Ramps, Handrails and Guards
- 9.9 – Means of Egress
- 9.10 – Fire Protection
- 9.11 – Excavation
- 9.31 – Plumbing Facilities
- 9.32 – Ventilation
- 9.33 – Heating and Air-Conditioning

Since Council approved the second unit Official Plan policies and Zoning By-law provisions in November 2018 there have been nine (9) building permits issued and four (4) building permit applications are still under review.

Downtown Windsor Enhancement Strategy and Community Improvement Plan (Downtown CIP): The Downtown CIP was approved in November 2017 and offers financial incentives to encourage projects that will enhance downtown. Grants are offered for building/property improvements, the conversion of existing upper storey space to new residential units, the development of new residential units, retail enhancements, and facade improvements. Funds for the financial incentives are from the City Centre Community Planning Fund. For an overview of the programs, please refer to Appendix A.

Discussion:

Financial incentives to private landowners and assignees can only be offered through an approved Community Improvement Plan; therefore, the Downtown CIP would need to be amended in order to offer financial incentives to create second units. Before an amendment would be processed, staff would need to review the appropriateness and determine the specific parameters of a program aimed at incentivising the creation of secondary units. In addition, staff would take into account the effectiveness of the current programs and the funding available in the City Centre Community Planning Fund. The *Planning Act* contains legislative requirements to amend a CIP, which stipulate that an amendment to a CIP are to be processed similar to an Official Plan Amendment in that a by-law is passed by Council, notice is given, public meeting is held, and a 20-day appeal period is required following a decision.

There are potential challenges to administering a grant for the creation of secondary units. It is difficult to estimate the required cost to install a second unit as the construction costs depend on the current layout and set up in a home. For example, some homes may already have a second kitchen and bathroom that can be incorporated into a second unit and only need to address the items outlined in Section 9 of the building code addressed above in this report, whereas someone looking to install a second unit in an unfinished basement would have different costs. For these reasons it is difficult to offer a set amount of a financial incentive similar to the New Residential Development Grant Program that offers a \$2,500 grant towards the creation of a new residential unit.

Furthermore, some of the grant programs currently have minimum number of residential units that must be created as part of a project (for example the New Residential Development Grant requires a minimum of four (4) new residential units). This requirement has been put in place to minimize the staffing costs of administering the incentive program vis-a-vis the benefit derived from the grant. A general observation coming out of administering the programs is that it is often the smaller grants that require the most work and attention from staff, largely because the documentation required to support the grant application is harder to obtain from the property owner than a design/construction professional. The minimum threshold (e.g. 4 new units), which is quite low, is also intended to strike a balance between supporting smaller projects and encouraging larger investments that are more visible and send a positive message to potential investors that downtown Windsor is a solid investment opportunity.

Staff that administer the Downtown CIP also monitor trends to ensure that the CIP is having the intending effect and is providing incentives targeted at developments that contribute to the overall goal and objectives of the CIP. There have been few inquiries about incentives for creating secondary units. Furthermore, Section 9.4 'Monitoring Program' of the Downtown CIP stipulates that a five (5) year review (i.e. – in year 2022) is required. The five-year review is a comprehensive analysis of the implementation and monitoring of the CIP and the analysis will be accompanied by recommendations related to discontinuation or addition of programs contained within the CIP. It is appropriate to review the effectiveness of the current programs, the amount of grants approved and the discontinuation or addition of programs at one time, as outlined in the

Downtown CIP. The five-year review will be another opportunity to look at secondary units to see if it makes sense to develop incentives to promote the construction of more of them.

Risk Analysis:

The report is for information purposes only and does not provide any recommendations to Council, therefore it is low risk.

Financial Matters:

The uncommitted balance of the Downtown CIP fund is \$176,500. The fund started at \$725,000, therefore the programs have been popular over the two years of implementing the Downtown CIP. Staff will request additional funding through the 2020 budgeting process for the continuation of the Downtown CIP financial incentive programs.

Consultations:

Leslie Wright, Digital Transformation Specialist/Plans Examination, Building Division

Greg Atkinson, Senior Planner – Economic Development, Planning Division

Conclusion:

An amendment to the Downtown CIP is required to be able to offer incentives for the creation of Second Units. The recent amendments to the *Planning Act* have lifted barriers to creating second units. Given that there are currently limited funds available, and challenges to administering a financial incentive program for second units staff do not recommend adding financial incentives for second units to the Downtown CIP at this time. Staff will review the effectiveness of the current financial incentive programs and determine if the addition of financial incentive programs is warranted at the five (5) year review of the Downtown CIP in 2022.

Approvals:

Name	Title
Don Nantais	Financial Planning Admin.
Neil Robertson	Manager of Urban Design
Thom Hunt	City Planner/Executive Director of Planning and Building Services
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Janice Guthrie	On behalf of Chief Financial Officer/City Treasurer
Onorio Colucci	Chief Administrative Officer

Notifications:

Name	Address	Email
Councillor Bortolin		
Bob Cameron		bob@dwcc.ca

Appendices:

- 1 Appendix A - Overview of Downtown CIP Financial Incentives



Downtown Windsor Enhancement Strategy and Community Improvement Plan Grant Programs

The Downtown Windsor Enhancement Strategy and Community Improvement Plan offers grants to encourage projects that will enhance downtown. Grants are offered for the conversion of existing upper storey space to new residential units, the development of new residential units, retail enhancements, and facade improvements. The following programs are offered:

Upper Storey Residential Conversion Grant Program	New Residential Development Grant Program	Retail Investment Grant Program	Building/Property Improvement Tax Increment Grant Program	Commercial/Mixed Use Building Facade Improvement Grant Program
<p>This program is aimed at attracting new investment and interest in converting currently non-residential vacant or underutilized upper storey space to residential units. A minimum of two new residential units must be created.</p> <p>The program offers a grant, whereby property owners will be eligible to receive a grant of \$5,000 for every new residential unit created on the upper storey(s) of an existing mixed use building, up to a maximum of \$50,000.</p>	<p>This program is aimed at attracting new residential development. A minimum of four new residential units must be created.</p> <p>This program offers a grant, whereby property owners will be eligible to receive a \$2,500 for every new residential unit, up to a maximum of \$50,000 per property.</p>	<p>Renovating and/or creating retail units on the ground floor (provided the space was vacant for six months at the time of application and the new or refurbished retail units have direct access from the adjacent street).</p> <p>This program offers a grant up to 50% of eligible costs for improvements to a maximum amount of \$15,000 per retail unit in a building (maximum two units per property).</p>	<p>This program encourages improvements to property/buildings in downtown by offering a grant in the amount of the increase in municipal taxes as a result of the property/building improvements.</p> <p>An annual grant equal to 100% of the increase in municipal property taxes for five years, with the possibility of an extension up to a total of ten (10) years, after the project is completed and reassessed.</p>	<p>This program encourages improvements to the facades of mixed use/commercial buildings.</p> <p>This program offers a grant, whereby property owners, tenants and/or assignees will be eligible to receive a grant for 50% of the eligible costs of the facade improvements, up to \$20,000 per property.</p>

Please refer to the Downtown Windsor Enhancement Strategy and Community Improvement Plan (Downtown CIP) for full program guidelines and provisions. To view the Downtown CIP and application form for the grant programs, please visit www.citywindsor.ca and search "Downtown CIP". Where there is a discrepancy between this document the Downtown CIP, the Downtown CIP takes precedence.

For more information or to apply for these programs, please contact Laura Diotte, Planner III - Special Projects at 519-255-6543 x6396 or lbdiotte@citywindsor.ca.



Committee Matters: SCM 176/2021

**Subject: Brownfield Redevelopment Community Improvement Plan (CIP)
application submitted by 850 Division Inc. for 850 Division Road (Ward 9)**

Moved by: Councillor Sleiman
Seconded by: Councillor Morrison

Decision Number: **DHSC 285**

- I. THAT the request made by 850 Division Inc. to participate in the Environmental Site Assessment Grant Program **BE APPROVED** for the completion of a proposed Phase II Environmental Site Assessment Study for property located at 850 Division Road pursuant to the City of Windsor Brownfield Redevelopment Community Improvement Plan;
- II. THAT the City Treasurer **BE AUTHORIZED** to issue payment up to a maximum of \$22,950 based upon the completion and submission of a Phase II Environmental Site Assessment completed in a form acceptable to the City Planner and City Solicitor;
- III. THAT the grant funds in the amount of \$22,950 under the Environmental Site Assessment Grant Program **BE TRANSFERRED** from the CIP Reserve Fund 226 to Brownfield Strategy Remediation (project 7069003).

Carried.

Report Number: S 44/2021
Clerk's File: Z/8955

Clerk's Note:

- a) The recommendation of the Standing Committee and Administration are the same.
- b) Please refer to Item 11.3 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>

**Subject: Brownfield Redevelopment Community Improvement Plan
(CIP) application submitted by 850 Division Inc. for 850 Division Road
(Ward 9)**

Reference:

Date to Council: May 10, 2021
Author: Greg Atkinson, Senior Planner
519-255-6543 ext. 6582
gatkenson@citywindsor.ca
Planning & Building Services
Report Date: April 20, 2021
Clerk's File #: Z/8955

To: Mayor and Members of City Council

Recommendation:

- I. THAT the request made by 850 Division Inc. to participate in the Environmental Site Assessment Grant Program **BE APPROVED** for the completion of a proposed Phase II Environmental Site Assessment Study for property located at 850 Division Road pursuant to the City of Windsor Brownfield Redevelopment Community Improvement Plan;
- II. THAT the City Treasurer **BE AUTHORIZED** to issue payment up to a maximum of \$22,950 based upon the completion and submission of a Phase II Environmental Site Assessment completed in a form acceptable to the City Planner and City Solicitor;
- III. THAT the grant funds in the amount of \$22,950 under the Environmental Site Assessment Grant Program **BE TRANSFERRED** from the CIP Reserve Fund 226 to Brownfield Strategy Remediation (project 7069003).

Executive Summary:

N/A

Background:

Brownfield Redevelopment Community Improvement Plan (CIP)

Brownfield sites are properties that may be contaminated due to previous industrial or commercial uses such as a manufacturing facility or gas station. City Council approved a Brownfield Redevelopment CIP at its April 19, 2010 meeting for the purpose of encouraging the study, clean-up, and redevelopment of contaminated properties. The approval of the CIP was the result of nearly five years of study and consultation, which began in October 2005.

Importance of Brownfield Redevelopment

In 2009 the City's Planning Department identified 137 brownfield properties (i.e. 226 hectares or 559 acres) that are candidates for redevelopment. While the inventory is not exhaustive, it illustrates the significance of Windsor's brownfield stock and the need to work with land owners to put these properties back into productive use.

Historically, there has been little interest in redeveloping brownfield sites due to the uncertainty surrounding the extent of contamination and the potential cost of clean-up. The Brownfield Redevelopment CIP provides financial incentives to undertake the necessary studies and remedial work necessary to redevelop brownfield sites and reduce the potential negative impacts to the City's environment and neighbourhoods.

The benefits associated with brownfield redevelopment go far beyond the boundaries of the property. For example, they are often strategically located within existing built up areas of the City where services and other infrastructure, such as roads, schools, community facilities and public transit are already available, therefore additional infrastructure costs are not incurred to service these areas. The redevelopment of these sites also remove the negative stigma often associated with brownfield properties, which increases the value of the subject property and adjacent properties.

Brownfield sites also represent a significant underutilization of the land base. According to the National Round Table on the Environment and the Economy (2003), every hectare redeveloped through a brownfield project saves up to an estimated 4.5 hectares of greenfield land from being developed (i.e. agricultural land on the edge of the City); and for every dollar invested in a brownfield redevelopment, it is estimated that \$3.80 is invested in the economy.

Site Background

The subject site is located at Division Road on the east side of the road directly south of Marentette Avenue (see Location Map). The property is approximately 11 hectares

(27.5 acres) in size and is currently vacant. The Phase 2 Environmental Site Assessment (ESA) study is proposed on the east portion of the property (i.e. east and south of the existing industrial building). While the area subject to the Phase 2 ESA study has never contained a building it has previously been used for parking as well as storage of construction and fill material. The west portion of the subject property was previously used for industrial purposes including metal fabrication. Surrounding uses have included a transportation logistics operation, car dealership and repair garage, and concrete plant.

The subject property is designated 'Industrial' on Official Plan Schedule D: Land Use and it is zoned Commercial District (MD) 2.1, which permits a range of industrial uses. 850 Division Inc. is owned by Mr. Anuj Sood.

Discussion:

Environmental Site Assessment Grant Program

The Environmental Site Assessment (ESA) Grant Program offers a matching grant to property owners of brownfield sites to conduct environmental studies that provide information on the type and extent of contamination and potential remediation costs. The program offers 50% of the cost of an eligible study up to a maximum of \$15,000. If two studies are required, an additional \$10,000 is available for a maximum total grant value of \$25,000.

The owner proposes to redevelop the east portion of the site for residential use, which requires the filing of a Record of Site Condition (RSC) with the Ministry of the Environment, Conservation and Parks. The owner has completed a Phase 1 Environmental Site Assessment (ESA) study to support the redevelopment plan. The Phase I ESA study identified areas of potential environmental concern and recommends a Phase II ESA study be completed to assess the soil and groundwater quality and delineate the extent of any contamination. The Phase 2 ESA study is necessary to support the filing of a RSC.

Clearly identifying the type and delineating the extent of any contamination is an essential step in moving forward with redevelopment plans. Upon completion the City would retain a copy of the final study report.

CIP Goals

City staff is supportive of the application as it meets all of the eligibility requirements specified within the Brownfield Redevelopment CIP. The proposed study of the subject site also supports the following CIP goals:

- To promote the remediation, rehabilitation, adaptive re-use and redevelopment of brownfield sites throughout the City of Windsor in a fiscally responsible and sustainable manner over the long term;
- Improve the physical and visual quality of brownfield sites;
- Improve environmental health and public safety;
- Provide opportunities for new housing, employment uses, and commercial uses;
- Increase tax assessment and property tax revenues;
- Promote Smart Growth, including the reduction of urban sprawl and its related costs;
- Increase community awareness of the economic, environmental and social benefits of brownfield redevelopment; and
- Utilize public sector investment to leverage significant private sector investment in brownfield remediation, rehabilitation, adaptive re-use, and redevelopment.

Policy Support

The study of brownfield sites to support clean up and redevelopment is supported by policies within the 2020 Provincial Policy Statement, the City's Official Plan and the City's Environmental Master Plan.

Risk Analysis:

As with all brownfield sites, there is a degree of risk associated related to the potential presence of contamination. The proposed study will assist in mitigating this risk. The City would retain a copy of the study for future reference.

Climate Change Risks

Climate Change Mitigation:

The proposed 96 townhome dwelling units implements Environmental Master Plan Objective C1: Encourage in-fill and higher density in existing built areas. In particular, the redevelopment would implement the action that supports the existing Brownfields Redevelopment Strategy and implement its work plan.

Climate Change Adaptation:

The proposed new dwellings may be affected by climate change, in particular with respect to extreme precipitation and an increase in days above 30 degrees. While not the subject of this report, any new construction would be required to meet the current provisions of the Building Code, which would be implemented through the building permit process. The site would also be required to incorporate storm water

management best practices. Any site plan control application will be reviewed for opportunities to enhance resiliency.

Financial Matters:

The cost estimate (excluding HST) for completing the proposed initial Phase 2 ESA study is \$27,900. If required, delineating the extent of any contamination is estimated to cost an additional \$18,000. If approved, the maximum grant would total \$22,950 (i.e. \$13,950 for the initial study and an additional \$9,000 for delineation, if required). Should the actual costs of the study be less than what has been estimated the grant payments would be based on the lower amount.

The grant would be paid from the Brownfield Strategy Remediation Fund (Project #7069003) in the maximum amount of \$22,950. On February 22, 2021 Council approved the 2021 budget, which included a new reserve fund 226 for all active CIPs in the City. As CIP grant applications are approved, the approved grant amount will be transferred to the applicable capital project account to be held as committed funds, until the grant is ready to be paid out. The current uncommitted balance of the CIP reserve fund is \$1,116,373.

Consultations:

The development and approval of the Brownfield Redevelopment CIP was subject to extensive stakeholder and public consultation, which sought input from a wide range of stakeholders and internal City departments.

Planning staff have consulted with the applicant prior to accepting the application for the Environmental Study Grant program. Staff from the Planning, Finance, and Legal Departments were consulted in the preparation of this report.

Conclusion:

City Staff recommend Council approve the request from 850 Division Inc. to participate in the Environmental Site Assessment Grant Program. In the opinion of planning staff, the proposed study conforms to the Brownfield Redevelopment CIP and assists the City in the achievement of a number of the CIP goals.

Planning Act Matters:

N/A

Approvals:

Name	Title
Josie Gualtieri	Financial Planning Administrator
Michael Cooke	Manager Planning Policy/Deputy City Planner
Thom Hunt	City Planner
Wira Vendrasco	Deputy City Solicitor
Shelby Askin Hager	City Solicitor
Joe Mancina	City Treasurer
Jason Reynar	Chief Administrative Officer

Notifications:

Name		Address	Email
Anuj Sood			anuj@soodfm.com
Cindy McKee			cindy.mckee@woodplc.com
Tushar Bansal			tbansal@championproducts.com

Appendices:

1: Location Map



LOCATION MAP: 850 DIVISION ROAD



SUBJECT PROPERTY





Committee Matters: SCM 177/2021

Subject: Minutes of the International Relations Committee of its meeting held March 23, 2021

Moved by: Councillor Holt
Seconded by: Councillor Morrison

Decision Number: **DHSC 286**

THAT the minutes of the International Relations Committee (IRC) of its meeting held March 23, 2021 **BE RECEIVED**.

Carried.

Report Number: SCM 130/2021
Clerk's File: MB2021

Clerk's Note:

- a) The recommendation of the Standing Committee and the International Relations Committee are the same.
- b) Please refer to Item 12.1 from the Development and Heritage Standing Committee Meeting held May 10, 2021.
- c) To view the stream of this Standing Committee meeting, please refer to:
<http://csg001-harmony.sliq.net/00310/Harmony/en/PowerBrowser/PowerBrowserV2/20210518/-1/5235>



Committee Matters: SCM 130/2021

**Subject: Minutes of the International Relations Committee of its meeting held
March 23, 2021**

International Relations Committee

Meeting held March 23, 2021

A meeting of the International Relations Committee is held this day commencing at 3:30 o'clock p.m., there being present the following members:

Councillor Fred Francis, Chair
Councillor Fabio Costante
Councillor Gary Kaschak
Daniel Ableser
Scott Despina
Ronnie Haidar
William Ma
Steven Spagnuolo
L.T. Zhao (arrives at 3:43 p.m.)

Also present are the following resource personnel:

James Chacko, Senior Manager, Parks
Sandra Gebauer, Council Assistant
Karen Kadour, Committee Coordinator

1. Call to Order

The Chair calls the meeting to order at 3:30 o'clock p.m. and the Committee considers the Agenda being Schedule A attached hereto, matters which are dealt with as follows:

2. Declaration of Conflict

None disclosed.

3. Adoption of the Minutes

Moved by Councillor Kaschak, seconded by Councillor Costante,
That the minutes of the International Relations Committee of its meeting held September 24, 2020 **BE ADOPTED** as presented.
Carried.

4. Business Arising from the Minutes

4.1 Twin City Post

James Chacko, Senior Manager, Parks provides the following update relating to the Twin City Post:

- The Twin City Post will include the names of the Twin Cities, signage, a flag and a light on top of the post.
- The suggested location as a temporary location is along City Hall at the south end of the Councillors' parking lot.
- There is currently one old style globe light so we would replace that light with the new Twin City Post.
- This would be the temporary home for the Twin City Post until such time the full redevelopment is approved by Council and then at that point, the pole would be relocated to fit within the design of the New City Hall Civic Plaza.

D. Ableser asks if this type of feature belongs at the Civic Campus rather than at the riverfront.

The Chair responds that this is correct and the preference of City Administration.

Councillor Sleiman states there is no lighting currently at 350 City Hall. He asks if it would be better to wait and factor that into the lighting plan in the Civic Plaza or move forward temporarily and then move it again.

The Chair indicates he is not certain if the Committee wants to move to a temporary location and wait until a permanent location is determined and then provide funds that contribute to the larger Civic Plaza.

L. T. Zhao asks how long the Twin Post will remain in the temporary location.

J. Chacko responds that right now we are currently working with the Consultant phase of the New City Hall Civic Plaza Project. At some point, this will come to Council for their consideration and direction for the overall project. If we put this pole in at the temporary location, it may be there for two or three years or greater. Certainly, that same pole will be used as part of the redevelopment.

In response to a question asked by the Chair regarding the cost of the Twin City Post, J. Chacko responds it will be under the \$14,000 allotted budget.

S. Spagnuolo asks if the \$14,000 includes the cost of moving the Twin City Post to its permanent location?

The Chair states he assumes the cost is to implement the Twin City Post temporarily. J. Chacko concurs.

Moved by Councillor Sleiman, seconded by D. Ableser,
That **APPROVAL BE GIVEN** to an expenditure in the upset amount of \$14,000 from the International Relations Committee operating budget for the purchase, and installation of the Twin City Post to be temporarily placed in the New City Hall Civic Plaza.
Carried.

5. Business Items

5.1 Invitation for the City of Windsor to enter into a Sister City Relationship with Antsirabe, Madagascar

The Chair indicates that this matter was sent to the Mayor's Office and was forwarded to the IRC to vet it. He adds that upon review of the Sister City Relationship and Policy, this is not how this is done. It is not city-to-city or government to government; it is generally people driven. He adds that he would be reluctant to establish a Sister City relationship that is not being brought to the IRC by our fellow citizens from Madagascar.

L.T. Zhao states that the City of Windsor does not appear to be aligned with Madagascar in terms of economic development.

S. Spagnuolo adds that he did not see similarities that would tie the two cities together, but he would like to see further information.

In response to a question regarding if there are any organizations in our community from Madagascar, the Chair responds he is not certain if there is a large Madagascan contingent in the City of Windsor. Obviously, there is a large African contingent in the City. We will have to look into this.

Councillor Kaschak suggests additional information regarding this matter be provided for the next meeting.

Moved by S. Spagnuolo, seconded by Councillor Kaschak,
That the update regarding the invitation from Antsirabe, Madagascar to enter into a Sister City Relationship with the City of Windsor **BE RECEIVED**, that information provided by Antsirabe, Madagascar **BE SENT** to the appropriate community groups, and further, that Administration report back at the next meeting on this matter.
Carried.

5.2 Children's Art Exhibition

S. Gebauer advises that the virtual art exhibition was released in September 2020, which was very well received. The City of Gunsan, South Korea released their virtual

exhibit in December 2020 and Fujisawa, Japan followed with their virtual exhibition in January 2021.

S. Gebauer reports that the City of Gunsan has indicated their interest in doing this again in 2021. She asks the Committee if they wish to hold a virtual exhibition for 2021 or to wait until the exhibition can be held at City Hall or at another location.

The Chair asks if the Committee wishes to provide a virtual Children's Art Exhibition in 2021 or not.

Moved by S. Spagnuolo, seconded by S. Despins,
That a virtual Children's Art Exhibition to be held in 2021 to be coordinated by the International Relations Committee **BE RECEIVED**.
Carried.

6. Communications

Moved by Councillor Sleiman, seconded by Councillor Kaschak,
That the following Communications **BE RECEIVED**:

- Cross-Border Cooperation Congress in Lublin, Poland 2020
- Windsor Star Article – Celebration of the 25th Anniversary of the Polish-Canadian Business & Professional Assn. of Windsor & the 20th Anniversary of the Twinning of the City of Windsor with the City of Lublin, Poland.
- Invitation to the President of the City of Lublin along with a delegation to visit the City of Windsor at the 25th Annual Polish-Canadian Society Business Dinner to be held on November 19, 2021.
- The Union of Polish Metropolises – Role and importance of tolerance
- Letter from the Deputy Director, Lublin, Poland regarding the signing of a joint appeal recalling the role and importance of tolerance by evoking a fragment of the Declaration of Principles on tolerance.
- Mask Company in Gunsan, Korea

Carried.

7. New Business

None.

8. Date of Next Meeting

To be determined.

9. Adjournment

There being no further business, the meeting is adjourned at 3:51 p.m.

CHAIR

COMMITTEE COORDINATOR



PwC Report: SCM 166/2021

Subject: Internal Audit Risk Assessment and Plan 2021-22

THAT the PricewaterhouseCoopers LLP (PwC) Internal Audit Risk Assessment and Plan 2021-22 **BE RECEIVED** for information and **BE APPROVED**.

Clerk's File: AF/11247

The Corporation of the City of Windsor

Internal Audit Risk Assessment and Plan 2021-22

Prepared as of April 20, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Distribution List

For action	Drew Dilkens, Mayor Fred Francis, Member of Council Fabio Costante, Member of Council Rino Bortolin, Member of Council Chris Holt, Member of Council	Ed Sleiman, Member of Council Jo-Anne Gignac, Member of Council Gary Kaschak, Member of Council Kieran McKenzie, Member of Council Jim Morrison, Member of Council Jeewen Gill, Member of Council
For information	Jason Reynar, Chief Administrative Officer Joe Mancina, Chief Financial Officer/City Treasurer Mark Winterton, City Engineer Valerie Critchley, City Clerk & License Commissioner	Shelby Askin Hager, City Solicitor Jelena Payne, Commissioner Community Development & Health Ray Mensour, Acting Commissioner-Parks, Recreation, Culture, and Facilities

Executive summary

Introduction

Under our current contract we provide a three-year rotational risk based internal audit plan; in this document we provide that proposed plan. The level of agreed resources for the internal audit service for a three-year period of May 1, 2021 to April 30, 2024 is an average of 1300-1400 hours and \$300,000 per year. While we attempt to cover as many key risk areas as possible, based on the deployment of the available resources, this plan does not purport to address all key risks identified across the audit universe as part of the risk assessment process. Accordingly, when approving the risk assessment, Internal Audit Plan and related level of internal audit activity, the Corporate Services Standing Committee (CSSC) should recognize this limitation.

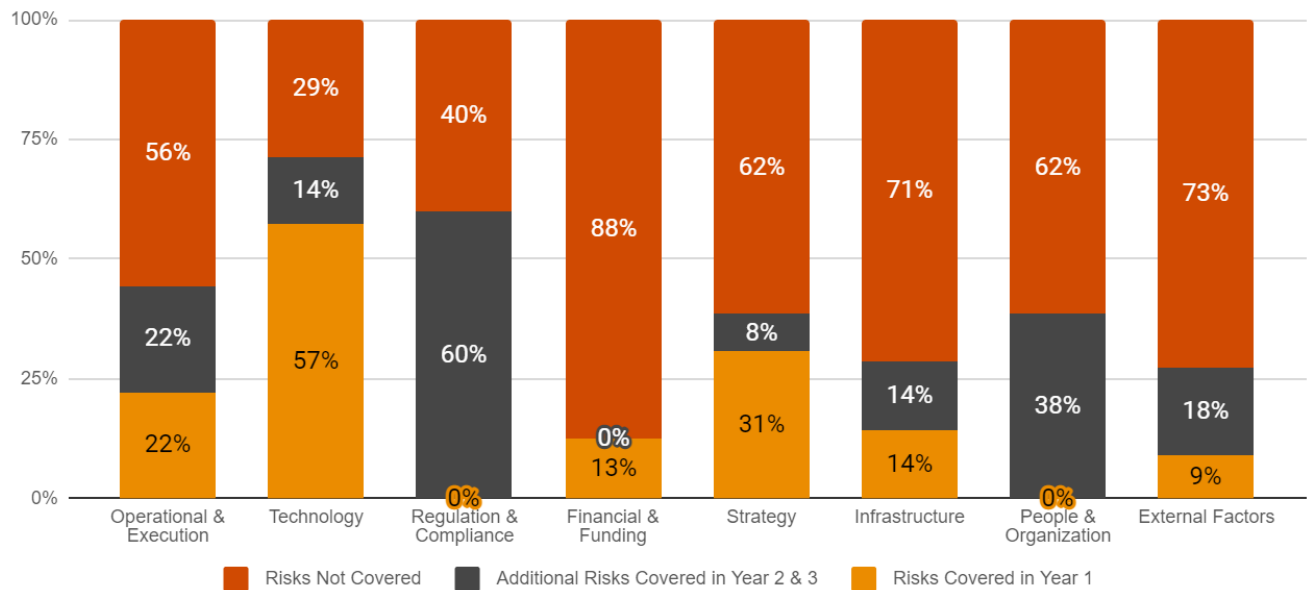
As per the Institute of Internal Auditors defines the mission of internal audit as a function to help enhance and protect organizational value by providing risk based and objective assurance, advice and insight. We considered the inherent and residual risks of Auditable Units and discussions with key contacts in the development of the proposed internal audit projects and plan.

Below is an overview of the proposed projects for the upcoming year:

Overview of 2021-22 proposed internal audit projects

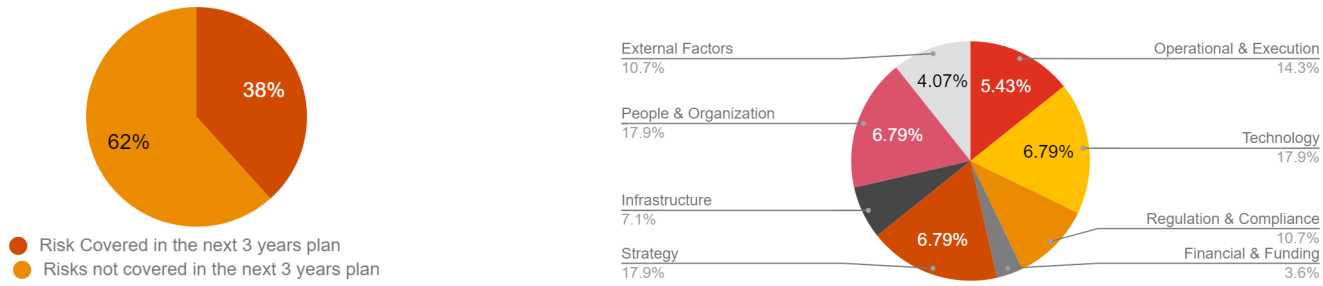
#	Description	Effort Estimate (hrs)	Target for CSSC
Planning			
1	Development of Three Year Rolling Audit Plan	100	May 2022
Financial Audits (Excluding Attest)			
	None		
Operational, Compliance, Performance Audits			
2	Performance Audit: Road Infrastructure Maintenance processes	475	Nov 2021
3	SmartCity Cyber Risk Mitigation	200	Nov 2021
4	Ransomware Strategy & Practices	150	May 2022
Fraud and Waste Hotline (or other Special Purpose)			
5	Concerned Citizen & Employee Hotline	100	As needed
Follow up			
6	Management Action Plan Validation	100	May 2022
7	Performance update (Nov/21 & Mar/22) and Annual performance review report (May/22)	50	
Operations			
8	Auditor General Inquiries, Oversight, Project Direction & Review, Meetings with Management & Departments, Attendance at Corporate Services Standing Committee or City Council	150	N/A
9	Unallocated	50	N/A
	Total	1375	

Risk coverage in 3 year plan by domain (2021/22)



Coverage of risk areas

Of the 73 identified risks on the PwC Risk Radar, Internal Audit plans to attain direct/indirect coverage over 38% (28 risks) across all eight risk categories/slices in the three years of the proposed plan.



Previous Direction Provided by City Council on the Mandate of For Audits

Internal audit’s involvement in providing assurance or advisory support for business processes or management activities is translated into value by applying a focus on one or more of the following statements/outcomes when carrying out internal audit procedures:

- 1

Ensure management actions are in compliance with Council direction and regulations
- 2

Management’s adherence to and effectiveness of policies, process and controls
- 3

Appropriate mitigation of risk to an acceptable level
- 4

Identify cost savings in high risk areas
- 5

Identify cost savings of significant despite the risk area
- 6

Identify areas for increased revenue
- 7

Assess if management activities are delivering the value for money that they were expected to

Categorization of Audit Types

As part of updating this year's plan we have used category labels which align to those published by the Auditor General for the City of Toronto. All of our predecessor projects align to the framework with the bulk of the project conducted in the past 8 years fitting into the category of "Operational, Compliance, Performance Audits". Below you will find a description of each audit type and then a summary 5 year perspective of the past and planned projects.

Financial Assurance or Attest Audits	<p>The Municipal Act specifically precludes the Auditor General from being the Financial Statement Auditor of the Municipality. As such we are precluded from annually auditing the accounts and transactions of the City and its agencies and corporations. The external auditor expresses an opinion on the financial statements of these bodies based on the audit in a report which is considered by the then City Council.</p> <p>The Auditor General co-operates with the work of the external auditor and exchanges relevant information therewith. Currently, KPMG LLP has been engaged to conduct audits of financial statements of the City and its major agencies and corporations. The City's external audit contract establishes KPMG as the auditor for all entities except for EWSWA. The audit of EWSWA is contracted by the County of Essex, however KPMG is also the auditor for the County.</p>
Financial Audits (Excluding Attest & Assurance)	<p>Financial-related audits include determining whether:</p> <ul style="list-style-type: none"> (a) financial information is presented in accordance with established or stated criteria; (b) the entity has adhered to specific financial compliance requirements; or (c) the entity's internal control structure over financial reporting and/or safeguarding assets is suitably designed and implemented to achieve control objectives.
Operational, Compliance, Performance Audits	<p>These audits may include any or all of:</p> <ul style="list-style-type: none"> a) determining the extent to which the desired results or benefits established by the legislature or other authorizing body are being achieved; b) the effectiveness of organizations, programs, activities, or functions; c) whether the City division is acquiring, protecting, and using its resources (such as personnel, property, and space) economically and efficiently; and d) whether the City division has complied with laws and regulations applicable to the program.
Fraud and Waste Hotline	<p>Manages the Concerned Citizen and Employee hotline referring issues to senior management or the City's Internal Audit team as defined by the Council approved mandate.</p>
Follow -up Audits	<p>On an annual basis, the Auditor General notifies the City of outstanding recommendations. Management staff will report back to the Auditor General on recommendations that have been implemented. The Auditor General then verifies that the recommendations have in fact been implemented.</p> <p>The results of the follow-up of recommendations are reported to the Audit Committee annually and cover findings raised across the City, agencies, boards or commissions.</p>
Management & Oversight	<p>This involves regular Auditor General efforts.</p> <p>It further includes the oversight of project activities, meetings, interacting with complainants, review/observation/attendance at Council meetings, status reporting, report writing, and Committee reporting.</p> <p>Time is also set aside to deal with requests as they arise (ad hoc).</p>

Next we provide a view as to the internal audit coverage with a five year history of the audits covered by type:

Audit Type	2019/20	2020/21	2021/22 (proposed)	2022/23 (planned)	2023/24 (planned)
Financial	-	<ul style="list-style-type: none"> Liquidity Management 	-	-	-
Operational, Compliance, Performance/VFM	<ul style="list-style-type: none"> Purchased Services for Winter Control - VFM Audit HR Recruiting Process and Retention Strategy Cyber Response Strategy Security Programs & Safety Incident Management Planning & Development Risk Assessment & Planning 	<ul style="list-style-type: none"> Covid based policy and practice amendments Fraud risk mitigation enhancement Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Audit: Road Infrastructure Maintenance processes SmartCity Cyber Risk Mitigation Ransomware Strategy & Practices Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Aud - Transit Windsor - Service Delivery Review Diversity, Equity and Inclusion Digitization and Archiving Strategy: Windsor Public Library Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Audit: Workforce Management System - Post Implementation Review Huron Lodge - Compliance Management and Quality Inspection Program Employee Wellness - Mental Health Risk Assessment & Planning
Fraud & Waste Hotline	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Lancaster Stabilizers Chimczuk Funds Sewer Insurance Letter 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling Sandwich expansion and Aboriginal Consult Citizen concern on AG mandate Citizen property concern 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling
Follow Up	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation
Management & Oversight	<ul style="list-style-type: none"> Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc

Approach

The internal audit service will be delivered in accordance with the engagement letter addendum dated January 24, 2020. A summary of our approach to undertaking the risk assessment and preparing the internal audit plan is set out below. The internal audit plan is driven by the City of Windsor's organizational objectives and priorities, and the risks which may prevent the City of Windsor from meeting those objectives.

Basis of our plan

Consistent with prior years, based on our risk assessment and the allocated effort and fees per annum, Internal Audit would plan to carry out key auditable risk area coverage of no greater than 18% in year 1 and 38% in a three-year cycle. To increase coverage in the three-year cycle would require increased effort and allocation.

Basis of our annual internal audit conclusion

This plan, and related projects under this plan, will be executed in accordance with the Auditor General Charter and the contract between the City and PwC LLP.

The AG may exercise the powers and shall perform the duties with respect to the City of Windsor's:

1. departments,
2. local boards,
3. controlled corporations, and
4. grant recipients (where the grant received is directly or indirectly from the municipality, a local board or a municipally-controlled corporation for grants received 2006 or later).

(For a listing of these areas by type please see Appendix E.)

As a result, our work and deliverables are not designed or intended to comply with the Canadian Auditing Standards (CAS), International Auditing and Assurance Standards Board (IAASB), the International Framework for Assurance Engagements (IFAE), the Generally Accepted Government Auditing Standards (GAGAS), and International Standard on Assurance Engagements (ISAE) 3000.

Each auditable unit has been assessed for inherent risk and the strength of the control environment, in accordance with our methodology. We also consider operational spending, projects/initiatives, past audit results and citizen input. Given the risk assessment and the hours available to internal audit to conduct internal audit work, full coverage of the auditable universe cannot be provided over the course of three years. Management and the Council should recognize this limitation when approving this risk assessment and internal audit plan.

Within the plan, each year is an allocation of ad hoc or unallocated hours which have been assigned to use. For unallocated/ad hoc hours, the Auditor General will be able to allocate the effort to support approved projects where additional testing or issue investigation is required or to support other City internal control matters. The deployment of these hours will be reported to CSSC.

Other sources of assurance

In developing our internal audit risk assessment and plan we have taken into account other sources of assurance and have considered the extent to which reliance can be placed upon these other sources. The other sources of assurance for the City of Windsor are as follows:

- Annual external audit of the City's financial statements; and
- Program reviews carried out by various Ministries of the Provincial Government for compliance purposes.

Based on the above other sources of assurance, and their nature, we do not intend to place reliance upon them.

Key contacts

Meetings have been held with the following key personnel during the internal audit planning process:

Jason Reynar	Chief Administrative Officer
Onorio Colucci	Former Chief Administrative Officer
Joe Mancina	CFO & City Treasurer
Mark Winterton	City Engineer
Shelby Askin Hager	City Solicitor
Valerie Critchley	City Clerk
Jan Wilson	Former Corporate Leader - Parks, Recreation & Culture and Facilities
Jelena Payne	Commissioner Community Development & Health
Ray Mensour	Acting Commissioner-Parks, Recreation, Culture, and Facilities
Norm Synnott	Chief Information Officer

Meetings with CLT were conducted in February 2021.

The IA plan was also discussed with the new CAO of City of Windsor in April 2021.

Internal audit five-year plan and summary of comfort coverage

The table below provides a list of Auditable Units along with their inherent and residual risk ratings mainly driven from our internal audit work performed within each Auditable Unit. The following factors were considered when assessing risks and informing internal audits three year plan:

1. Alignment to overall strategic and objectives. This activity considered how many strategic objectives and priorities with which each audit was significantly associated.
2. The final inherent risk assessment arrived at by Internal Audit considered the above factors in light of professional judgment and information/understanding that was established during interviews with executives.













Throughout this section you will see several symbols. The legend for these symbols is:



Italicized projects relate to more than one major process area.*

Audit universe	Inherent risk	Residual Risk	2019-20	2020-21	2021-22	2022-23	2023-24
A: Corporate Wide							
A1 Corporate Governance			-	Fraud Risk Mitigation Review	-	-	-
A2 Strategic Planning			-	-	Ransomware Strategy and Practices	<i>*Diversity, Equity and Inclusion</i>	-
A3: City Council			-	-	-	-	-
A4: Committees of Council			-	-	-	-	-
B: Finance and Information Technology							
B1 Asset Planning			-	-	-	-	-
B2 Financial Accounting			-	-	-	-	-
B3 Financial Planning			-	Liquidity Management Review	-	-	-
B4 Taxation & Financial Projects			-	-	-	-	-
B5: Information Technology			Cyber Response Strategy	-	Smart City Cyber Risk Mitigation <i>*Ransomware Strategy and Practices</i>	-	-

Audit universe	Inherent risk	Residual Risk	2019-20	2020-21	2021-22	2022-23	2023-24
C: City Engineer							
C1 Development, Projects & Right of Way			Planning & Development	-	-	-	-
C2 Infrastructure & Geomatics			-	-	Performance Audit: Road Infrastructure Maintenance Process	-	-
C3 Pollution Control			-	-	-	-	-
C4 Transit Windsor			-	-	-	Performance Audit: Transit Windsor - Service Delivery Review	
C5 Public Works Operations			VFM- Purchased Winter Control Services	-	-	-	-
C6 Fleet Management			-	-	-	-	-
D:City Clerk							
D1 Communications & Customer Service			-	-	-	-	-
D2 Council Services			-	-	-	-	-
D3 Policy, Gaming, Licensing & By-Law Enforcement			-	-	-	-	-
D4 Human Resources			HR Recruiting Process and Retention Strategy	Covid 19 - Health and Safety - Reopening of Workplace and Facilities	-	Diversity, Equity and Inclusion	Performance Audit: Workforce Management System - Post Implementation Review Employee Wellness - Mental Health
D5 Labour Relations			-	-	-	-	-
D6 Library Services			-	-	-	*Digitization and Archiving Strategy	-
E: City Solicitor							
E1 Fire & Rescue			-	-	-	-	-
E2: Legal Services, Real Estate & Risk Management			-	-	-	-	-
E3: Planning & Building Services			-	-	-	-	-
E4: Provincial Offences			-	-	-	-	-
E5: Purchasing			-	-	-	-	-

Audit universe	Inherent risk	Residual Risk	2019-20	2020-21	2021-22	2022-23	2023-24
F: Health Commissioner							
F1 Employment and Social Services			-	-	-	-	-
F2 Housing and Children's Services			-	-	-	-	-
F3 Huron Lodge			-	-	-	-	Compliance Management and Quality Inspection Program
G: Parks, Facilities, Recreation & Culture							
G1 Parks			-	-	-	-	-
G2 Recreation and Culture			-	-	-	-	-
G3 Facilities			Security Programs & Safety Incident Management [City's Downtown Properties]	-	-	-	-
H: Agencies, Boards and Commissions							
Local Board							
H1: Essex Windsor Solid Waste Authority			-	-	-	-	-
H2: Windsor Licensing Commission							
H3: Nine BIAs 1. Downtown Windsor BIA 2. Wyandotte Towne Centre 3. Erie BIA 4. Ford City BIA 5. Olde Riverside BIA 6. Olde Sandwich Towne BIA 7. Ottawa Street BIA 8. Pillette Village BIA 9. Walkerville BIA							
Municipally Controlled corporation							
H4: Roseland Golf & Curling Club			-	-	-	-	-
H5: Transit Windsor			-	-	-	-	-
H6: Windsor Detroit Tunnel Corporation							
H7: Windsor Detroit BorderLink Limited (WDBL)							
H8: Your Quick Gateway							
H9: Windsor Utilities Commission							
H10: Windsor Canada Utilities							
H11: Enwin Utilities Ltd							
H12: Enwin Energy Ltd			-	-	-		-
H13: Windsor Essex Community Housing Corporation			-	-	-	-	-

Audit universe	2019-20	2020-21	2021-22	2022-23	2023-24
Grant recipient					
H14: Handi Transit					
H15: Windsor Essex County Economic Development Corporation	-	-	-	-	-
H16: Life After Fifty					
H17: Tourism Windsor Essex Pelee Island	-	-	-	-	-
H18: Windsor Symphony	-	-	-	-	-
H19: Arts Council Windsor & Region	-	-	-	-	-
H20: The Safety Village	-	-	-	-	-
H21: Artcite	-	-	-	-	-
Committees of Council					
H22: Diversity Committee	-	-	-	-	-
H23: International Relations Committee	-	-	-	-	-
H24: Seniors Advisory Committee	-	-	-	-	-
H25: Town & Gown Committee	-	-	-	-	-
H26: Windsor Accessibility Advisory Committee	-	-	-	-	-
H27: Windsor Bicycling Committee	-	-	-	-	-
H28: Windsor/Essex Environmental Committee	-	-	-	-	-
Optional Participants¹					
H29: Committee of Adjustment					
H30: Essex Region Conservation Authority					
H31: Windsor Public Library				Digitization and Archiving Strategy	
H32: Windsor Police Services					
H33: Windsor Essex County Health Unit					
H34: Huron Lodge Committee of Management					

¹ AG will be seeking input from the entities in this category as to their desired participation

Appendices

Appendix A - Internal audit's proposed 2021-22 project descriptions

#	Internal audit project	Radar Risks
Financial Audits (Excluding Attest & Assurance)		
	None	NA
Operational, Compliance and Performance Audits		
1	<p>Title: Performance Audit: Road Infrastructure Maintenance processes</p> <p>Scope: Internal Audit will work with management to identify KPIs against which performance may be measured focusing on economy, efficiency and effectiveness of road maintenance activities. The KPIs will be agreed with management prior to the audit kick off.</p>	Budgeting and realized savings, Infrastructure, Project management, Community partnerships in service delivery
2	<p>Title: SmartCity Cyber Risk Mitigation</p> <p>Scope: Internal Audit will assess whether the City has developed a systematic approach to Smart City risk mitigation as it relates to cybersecurity and privacy.</p>	Cybersecurity, Data protection, Governance, Shared Services, Systems and processes, Risk management, Management information
3	<p>Title: Ransomware Strategy & Practices</p> <p>Scope: Internal Audit will review City's preparedness and posture in the event of a Ransomware attack. Consideration as to the design and implementation of controls related to affecting the strategy/posture will be assessed.</p>	Cybersecurity, Data protection, Business Resilience, Privacy, Governance
Fraud & Waste Hotline		
4	<p>Title: Concerned Citizen & Employee Hotline</p> <p>Scope: Internal Audit monitors the City's Hotline for accusations of fraud or abuse/waste of City assets. Internal Audit will investigate appropriate accusations as per the CCEHN Protocol (last updated July 2015).</p>	Various
Follow-up Audits		
5	<p>Title: Management Action Plan Validation</p> <p>Scope: Internal audit will follow-up on and report back to the City on the status and sufficiency of management's resolution of prior findings in accordance with the Internal Audit mandate. An annual internal audit report on management's resolution of planned findings will be provided to management and the CSSC. Cut off for the activity is scheduled for December 31, 2021.</p>	Various

Follow-up Audits		
6	<p>Title: Performance update (November 2021 & May 2022) and performance review report (May 2022)</p> <p>Scope: Internal audit will present bi-annual status and summary of audits conducted during the year in November 2021 and May 2022 respectively. A Performance Review report will be provided upon completion of the 2021/22 IA plan.</p>	Various
Management & Oversight		
7a	<p>Title: Auditor General Inquiries, Operational Oversight, Project Direction & Review, Meetings with Management & Departments, Attendance at Corporate Services Standing Committee or City Council</p> <p>Scope: Ongoing status reporting of the current state of execution against the annual internal audit plan and key performance metrics will be compiled and reported to the City. To maintain awareness of the organisational risks, City strategy and operational execution Internal Audit will attend the required management and committee meetings as well as other key City meetings on an as needed basis. In addition, periodic reporting to the CLT and CSSC will occur.</p>	
7b	<p>Title: Unallocated</p> <p>Scope: This allowance in the plan is provided to management in the event that an unforeseen matter should transpire for which they would like Internal Audit to review.</p>	

* To conduct Value For Money/Performance Audit projects, the performance objectives should have ideally previously been defined by management. Where this has not occurred Internal Audit will have to work with management to come to an agreement as the objective performance measures are required by verbally accepted VFM methodology.

Appendix B - Internal audit's proposed 2022-23 project descriptions

#	Internal audit project	Radar Risks
Financial Audits (Excluding Attest & Assurance)		
	None	
Operational, Compliance and Performance Audits		
1	<p>Title: Transit Windsor - Service Delivery Review</p> <p>Scope: The focus of this project will be to assess management's process controls related to Transit Windsor - Service Delivery and measures taken to improve the customer service such as consideration for implementing Regional Transit System, adding/modifying routes and/or introducing new buses versus aging buses. Example of metrics to be considered for benchmarking purposes may include but are not limited to: Cost per rider, Cost per service hour, Ridership per service hour.</p>	Transport system, Supply Chain, Third Party & Contract Management, Shared Services
2	<p>Title: Diversity, Equity and Inclusion</p> <p>Scope: Internal Audit will review management's processes and controls in effect surrounding the structure of equity, inclusion, and diversity including policies and procedures.</p>	Culture and Behaviour, Employee Wellness, Equity and Inclusion
3	<p>Title: Digitization and Archiving Strategy: Windsor Public Library</p> <p>Scope: The focus of this internal audit will be to consider the effectiveness of management's process and controls in place to achieve the following objectives:</p> <ul style="list-style-type: none"> determining how the Library allocates its online resources including e-books, encyclopedies, magazines, newspapers, and other digitized resource; the Library's' review of its current collection and replacement cycle; and the tracking and security of its assets and collections. 	Systems and processes, Digital disruption, Data Protection, Business Resilience
Fraud & Waste Hotline		
4	<p>Title: Concerned Citizen & Employee Hotline</p> <p>Scope: Internal Audit monitors the City's Hotline for accusations of fraud or abuse/waste of City assets. Internal Audit will investigate appropriate accusations as per the CCEHN Protocol (last updated July 2015).</p>	
Follow-up Audits		
5	<p>Title: Management Action Plan Validation</p> <p>Scope: Internal audit will follow-up on and report back to the City on the status and sufficiency of management's resolution of prior findings in accordance with the Internal Audit mandate. An annual internal audit report on management's resolution of planned findings will be provided to management and the CSSC. Cut off for the activity is scheduled for December 31, 2022.</p>	

Follow-up Audits		
6	<p>Title: Performance update (November 2022 & May 2023) and performance review report (May 2023)</p> <p>Scope: Internal audit will present bi-annual status and summary of audits conducted during the year in November 2022 and May 2023 respectively. A Performance Review report will be provided upon completion of the 2022/23 IA plan.</p>	Various
Management & Oversight		
7a	<p>Title: Auditor General Inquiries, Operational Oversight, Project Direction & Review, Meetings with Management & Departments, Attendance at Corporate Services Standing Committee or City Council</p> <p>Scope: Ongoing status reporting of the current state of execution against the annual internal audit plan and key performance metrics will be compiled and reported to the City. To maintain awareness of the organisational risks, City strategy and operational execution Internal Audit will attend the required management and committee meetings as well as other key City meetings on an as needed basis. In addition, periodic reporting to the CLT and CSSC will occur.</p>	
7b	<p>Title: Unallocated</p> <p>Scope: This allowance in the plan is provided to management in the event that an unforeseen matter should transpire for which they would like Internal Audit to review.</p>	

Appendix C - Internal audit's proposed 2023-24 project descriptions

#	Internal audit project	Radar Risks
Financial Audits (Excluding Attest & Assurance)		
	None	
Operational, Compliance and Performance Audits		
1	<p>Title: Workforce Management system - Post Implementation Review</p> <p>Scope: The focus of this project will be to evaluate whether management's implementation of the Workforce software has met the business objectives. The internal audit will also assess the usefulness and reliance of the system post implementation and whether the system has met the requirements and expectations of the identified stakeholders.</p> <p>Related radar risks: Budgeting & realizing saving, Shared services</p>	Workforce planning and Talent, Systems and processes, Change management
2	<p>Title: Huron Lodge - Compliance Management and Quality Inspection Program</p> <p>Scope: In consideration for the over 900 regulations governing Huron Lodge and compliance is regularly subject to quality, inspections, critical incident reviews and complaint investigations, internal audit will review processes and controls designed and in operation at Huron Lodge to address the following objectives:</p> <ul style="list-style-type: none"> • periodic assessment of compliance and safety risks is conducted and policies are reviewed periodically for alignment to the LTCHA • internal quality inspection protocols are communicated • oversight and monitoring of external service providers • coordination with other City functions (i.e. Facilities) to manage risks • reporting of compliance (non compliance) occurs in a timely manner • results of internal quality reviews are reviewed by leadership and appropriately inform staff performance management and progression <p>Related risks: Legislative & Regulatory, Regulatory inspection (H&S, labour), Health & Safety</p>	Legislative and Regulatory, Litigation, Regulatory Inspection, Risk Management, Governance
3	<p>Title: Employee Wellness - Mental Health</p> <p>Scope: We will assess management's process controls related to Employee Wellness including mental health.</p>	Health and Safety, Employee Wellness, Security, Health Epidemic/Pandemic
Fraud & Waste Hotline		
4	<p>Title: Concerned Citizen & Employee Hotline</p> <p>Scope: Internal Audit monitors the City's Hotline for accusations of fraud or abuse/waste of City assets. Internal Audit will investigate appropriate accusations as per the CCEHN Protocol (last updated July 2015).</p>	

Follow-up Audits		
5	<p>Title: Management Action Plan Validation</p> <p>Scope: Internal audit will follow-up on and report back to the City on the status and sufficiency of management's resolution of prior findings in accordance with the Internal Audit mandate. An annual internal audit report on management's resolution of planned findings will be provided to management and the CSSC. Cut off for the activity is scheduled for December 31, 2023.</p>	Various
6	<p>Title: Performance update (November 2023 & May 2024) and performance review report (May 2024)</p> <p>Scope: Internal audit will present bi-annual status and summary of audits conducted during the year in November 2023 and May 2024 respectively. A Performance Review report will be provided upon completion of the 2023/24 IA plan.</p>	Various
Management & Oversight		
7a	<p>Title: Auditor General Inquiries, Operational Oversight, Project Direction & Review, Meetings with Management & Departments, Attendance at Corporate Services Standing Committee or City Council</p> <p>Scope: Ongoing status reporting of the current state of execution against the annual internal audit plan and key performance metrics will be compiled and reported to the City. To maintain awareness of the organisational risks, City strategy and operational execution Internal Audit will attend the required management and committee meetings as well as other key City meetings on an as needed basis. In addition, periodic reporting to the CLT and CSSC will occur.</p>	
7b	<p>Title: Unallocated</p> <p>Scope: This allowance in the plan is provided to management in the event that an unforeseen matter should transpire for which they would like Internal Audit to review.</p>	

Potential projects not included in current plan

The following projects were considered important and addressing key risks but are not included in the Internal Audit Plan due to capacity constraints:

Internal audit project	
Current Cybersecurity Strategy	IT Disaster Recovery/Business Continuity Planning
Municipal Licensing and Standards	ERM Strategy, Policy, Monitoring and Reporting
Pension, Payroll and employee benefits	Future Recruitment Strategy
Risk Culture Audit	Performance Audit: Housing Services - Homeless and Shelter Programs
Value for money: Community Use of Facilities (Space Management)	Performance Audit - Recreation master plan assessment
Performance Audit - Use of City Vehicles Audit	Operational Review - Windsor Detroit Border Link (WDBL)

Appendix D - Risk radar and risk definitions

The below image is of the risk radar which broadly covers eight key risks categories (slices), where the proximity to the centre of the radar depicts internal audit's inherent risks perspective which factors into our annual IA Planning. Placement of risks are Internal Audit's viewpoint informed by observing management's ERM risk discussion (latest 2018) and awareness of the City operations.

The following slices of the PwC Risk Radar (see image below) aim to categorize risks into key themes. The definitions of risks for each respective category (slice) is presented below.

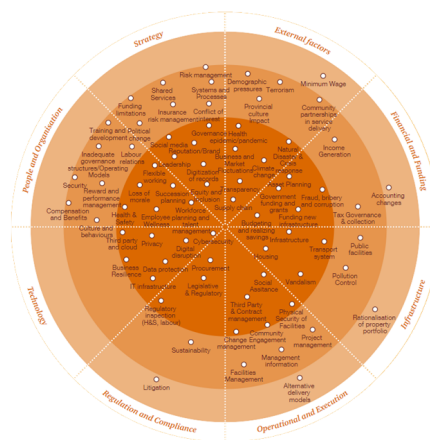
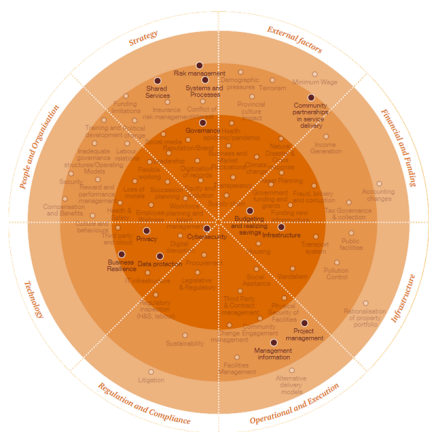
Subsequent to the discussions with the CLT members in February and March 2021 and considering the current and emerging risks, we have added new risks namely: Privacy, Employee Wellness, Succession planning, Compensation & Benefits, Security, Leadership, Equity & Inclusion, Digitization of records, Conflict of interest, Insurance risk management and Social Media.

To establish Internal Audit's priority of each major audit universe area's inherent risk assessment, the Internal Audit team considered the risk intensity by mapping 13 risks onto the PwC Risk Radar. The following risk radar images (1 & 2) depicts Internal Audit's perspective on the inherent risks that are under consideration and will be covered in the 2021-22 IA plan.

Internal Audit's risk assessment is summarized in two radar images.

Radar image 1: 13 risks have been covered across the 3 audits presented under the 2021-22 IA plan.

Radar image 2: Radar Image with all possible risks.



The description of the risks depicted in the above images as well as the other radar risks are provided on the next 2 pages. For ease of review, the bolded risks on the next page are the risks covered in the planned internal audit projects for 2021-22.

Risk Universe for 2021/22 IA Planning

The following table provides a listing of the risk universe used for IA planning purposes with the risks listed under each category. Recently added risks are highlighted. Risks with the text **bolded** are expected to receive some level of review in a planned 2021/22 IA project:

External Factors	Financial and Funding	Infrastructure	Operational and Execution	Regulations and Compliance	Technology	People and Organisation	Strategy
<ul style="list-style-type: none"> • Business and Market Fluctuation • Provincial culture impact • Terrorism • Supply Chain • Climate change • Demographic pressures • Health epidemic/pandemic • Natural Disaster & Crisis response • Community partnerships in service delivery • Minimum wage • Transparency 	<ul style="list-style-type: none"> • Asset Planning • Budgeting and realizing savings • Government funding and grants • Funding new infrastructure • Fraud, bribery and corruption • Tax Governance & Collection • Accounting changes • Income Generation 	<ul style="list-style-type: none"> • Housing • Infrastructure • Public facilities • Transport system • Vandalism • Pollution control • Rationalization of property portfolio 	<ul style="list-style-type: none"> • Change Management • Social Assistance • Third Party & Contract management • Community Management • Physical Security of Facilities • Facilities Management • Management information • Alternatives delivery models • Project management 	<ul style="list-style-type: none"> • Legislative & Regulatory • Procurement • Sustainability • Regulatory inspection (H&S, labour) • Litigation 	<ul style="list-style-type: none"> • Cybersecurity • Data protection • Digital disruption • IT infrastructure • Third party and cloud • Privacy • Business Resilience 	<ul style="list-style-type: none"> • Culture and behaviours • Employee Wellness • Succession planning • Health & safety • Workforce planning and talent management • Reward and performance management • Compensation & Benefits • Training and development • Inadequate governance structures/ Operating models • Labour relations • Flexible working • Security • Loss of morale 	<ul style="list-style-type: none"> • Governance • Leadership • Equity & Inclusion • Digitization of records • Conflict of interest • Insurance risk management • Political change • Reputation/ Brand • Risk Management • Shared Services • Social Media • Systems and Processes • Funding Limitations

External Factors	
Business and Market Fluctuations	Unanticipated changes in market interest, foreign interest, employment, business startups and business departures.
Provincial culture Impact	Impact and shift in corporate culture driven by external regulators driving modifications in working practices and processes.
Terrorism	Significant acts of violence or terrorism occur.
Supply Chain	Material resources or contractors are not available when required. Failure to alter operations to respond, implementing changes to deal with major supply chain disruptions.
Climate change	Climatic changes are not considered to effectively plan resource allocation and services like road and sewage maintenance.
Demographic pressures	Changes in demography affecting growth assumptions and resource management.
Health epidemic/pandemic	Health epidemic or pandemic occurs.
Natural Disaster & Crisis response	Absence of a disaster recovery / contingency plan in case of a natural disaster.
Community partnerships in service delivery	Partnerships with major institutions, business communities or the county fail to attain the expected objectives, needs or service demands of residents or fail to adequately respond to social and community changes.
Minimum Wage	Impact of increase to National/Provincial Minimum Wage on services e.g. social care.
Transparency	Legislative and/or citizen/stakeholder transparency expectations are not met.

Financial and Funding	
Asset Planning	Inconsistent approach to planning and decision-making to properly manage municipal infrastructure including but not limited to physical assets, IT systems.
Budgeting and realizing savings	Budget reductions and challenges on resources to meet medium term financial strategy and realise other savings. Misallocation of resources.
Government funding and grants	Reductions in funding available or lack of awareness.
Funding new infrastructure	Affordability of infrastructure to cope up with the housing (and other) demands.
Fraud, bribery and corruption	Failure to prevent and detect fraud, bribery and corruption.
Tax Governance & collection	Ineffective reporting and tax governance frameworks.
Accounting changes	Accounting changes not addressed and incorporated properly can prohibit the City to reflect True and Fair view in its Financial statements which can hamper the decision making as well.
Income Generation	Failure to identify new ways of generating income and finding alternative funding to meet targets.

Infrastructure	
Housing	Lack of affordable housing and improving the quality of existing housing stock.
Infrastructure	Saturated road network and ageing, deteriorating road/ bridge infrastructure. A need to build infrastructure to support new development.
Public facilities	Inadequate maintenance of public facilities or deterioration of assets.
Transport system	Ongoing resilience of the transport system and encouraging public transport use.
Vandalism	Damage to property or assets impacting image or requiring repair.
Pollution control	Failure to enforce environmental protection through monitoring of industrial waste and compliance with the sewer use by-law, and or failure to respond to odour complaints and spills to sewers or waterways, and failure to inspect closed landfills and properly disposing of biosolids.
Rationalisation of property portfolio	Old, unsuitable and high maintenance property portfolio (Community Centres/libraries, heritage sites etc).

Operational and Execution	
Change management	Failure to ensure operational effectiveness is achieved.
Social Assistance	Failure to ensure capacity, funding and resources to deliver social assistance programs.
Third Party & Contract management	Failure to ensure contractors deliver value for money.
Community Engagement	Lack of engagement and associated lack of public confidence.
Physical Security of Facilities	Lack of security measures that are designed to deny unauthorized access to facilities, equipment and resources and to protect personnel and property from damage or harm (such as espionage, theft, or terrorist attacks).
Facilities Management	Failure to ensure suitability of facilities portfolio for service delivery.
Management information	Inadequate management information and data quality to enable effective decision making.
Alternative delivery models	Failure to ensure operational effectiveness is achieved.
Project management	Failure to ensure projects are managed effectively to deliver on objectives.

Regulations and Compliance	
Legislative & Regulatory	Noncompliance with legal obligations. Changes in legislative, regulatory and/or policy occur and are not known or not actively managed as it relates to City operations.
Procurement	Noncompliance with procurement legislation and procurement bylaws.
Sustainability	Sustainability targets e.g. people, safety, environment, society are not met
Regulatory inspection (H&S, labour)	Failure to comply with legislative requirements
Litigation	Involvement in uninsured litigation.

Technology	
Cybersecurity	Inadequate controls to prevent and detect cyber attacks
Data protection	Noncompliance with data protection and privacy regulations
Digital disruption	Digital technology and channel shift for customers are not exploited
IT infrastructure	Out of date IT infrastructure which is not fit for purpose and enabling IT effectively to increase operational efficiency
Third party and cloud	Impact of the loss or breach of data.
Privacy	Noncompliance with data protection and privacy regulations (MFIPPA, GDPR & IPC guidance).
Business Resilience	Inadequate business continuity and disaster recovery planning

People and Organisation	
Culture and behaviours	Culture and behaviour of staff and contractors not in line with policies and procedures
Employee Wellness	Failure to introduce and implement wellness and mental health programs
Succession planning	The risk that a critical role will become vacant and cannot be filled satisfactorily given the people dependent processes before the vacancy has unacceptable impact on the organisation.
Health & safety	Health and safety incidents occur leading to injury, illness or death. The risk that organisation is not taking appropriate H&S measures for providing and maintaining safe and healthy environment
Workforce planning and talent management	Recruitment and retention of high performing staff is not achieved.
Reward and performance management	Inadequate reward and performance management arrangements
Compensation & Benefits	Failure to adequately compensate (base, bonus, benefits, incentives) staff may result in lack of interest and productivity.
Training and development	Lack of investment in training

Strategy	
Governance	Failure to ensure effective oversight from senior officers and elected members.
Leadership	The absence of strategic competence to support the vision/mission and overall direction for the organisation. Ineffective or absence of leadership skills impairs the attainment of strategic directives
Equity & Inclusion	Failure to provide fair treatment, equality of opportunity, and fairness in access to information and resources for all. Failure to build a culture of belonging by actively inviting the contribution and participation of people.
Digitization of records	Failure to implement a system to store data electronically.
Conflict of interest	The risk of non disclosure of situations where the goals or concerns (financial or otherwise) of the parties involved are at odds with one another.
Insurance risk management	Failure to manage insurance risk across various functions.
Political change	Changes in direction or strategy are not aligned to needs of residents or City Council significantly changes plan direction.
Reputation/Br and	Harm to reputation and brand.
Risk management	Inadequate risk management impacts service delivery.

Inadequate governance structures/Operating models	Ineffective decision making due to inadequate governance structures or inability to resolve conflicting priorities/ demands. Inadequate operating model resulting in inefficiencies and lack of accountability or impairing communication or creating conflicting priorities.
Labour relations	Ineffective management of labour relations and union relationships.
Flexible working	Poor adoption of flexible working leading to increased risk around employment practices and a weakening of management controls.
Security	The risk that organisation is not taking appropriate measures for providing and maintaining security
Loss of morale	Loss of morale within teams due to change and shrinking workforce.

Shared Services	Multi tier municipal services are not well coordinated.
Social Media	The risk that there is inconsistent use, overuse, inappropriate use or hijacking of social media activity resulting in brand impairment. The risk that the social media environment is not sufficiently monitored to enable identification of brand impairing activities or sufficient response thereunto.
Systems and processes	Impact on working relationships, implementation of systems and processes to generate greater powers and enable decision making.
Funding limitations	Reduction in funding available to help meet strategic objectives.

Appendix E - ABC listing by type

Local Board	
1. Essex Windsor Solid Waste Authority	2. Windsor Licensing Commission
3. Nine BIAs	
Municipally Controlled corporation	
4. Roseland Golf & Curling Club	5. Windsor Essex Community Housing Corporation
6. Transit Windsor	7. YQG Windsor Airport
8. Windsor Detroit Tunnel Corp	9. Windsor Detroit Border Link
10. Windsor Utilities Commission	11. Windsor Canada Utilities
12. Enwin Utilities Ltd	13. Enwin Energy Ltd
Grant recipient	
14. Artcite	15. Handi Transit
16. Life After Fifty	17. Windsor Essex Economic Development Corporation
18. Tourism Windsor Essex Pelee Island	19. Windsor Symphony
20. Arts Council Windsor & Region	21. The Safety Village
Committees of Council	
22. Diversity Committee	23. International Relations Committee
24. Seniors Advisory Committee	25. Town & Gown Committee
26. Windsor Accessibility Advisory Committee	27. Windsor Bicycling Committee
28. Windsor/Essex Environmental Committee	
Optional Participants	
29. Committee of Adjustment	30. Essex Region Conservation Authority
31. Windsor Public Library	32. Windsor Police Services
33. Huron Lodge Committee of Management	34. Windsor Essex County Health Unit



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PwC Report: SCM 167/2021

Subject: Internal Audit Summary Package - May 2021

THAT the attached Internal Audit Summary report provided by PricewaterhouseCoopers LLP (PwC) for the period November 1, 2020 to April 30, 2021 comprised of the following:

- a) Summary of use of unallocated effort
- b) Complaints and Investigations
- c) Annual performance report
- d) Liquidity Management Review Internal Audit Report
- e) COVID-19 Health & Safety – Reopening of Workplace and Facilities (Sprint 2) Report
- f) Management Action Plan Validation Report
- g) Hotline Investigation Report – Citizen Property Concern
- h) Hotline Investigation Report – Sandwich South Secondary Expansion and Aboriginal Consult

BE RECEIVED for information; and further

THAT City Council **AUTHORIZE** administration to proceed to implement the Management Action Plans as prescribed in the internal audit reports; and

THAT City Council **DIRECT** administration to report on the progress of the implementation of the Management Action Plans and that such reports should coincide with PricewaterhouseCoopers LLP's quarterly updates to Council.

Clerk's File: AF/11247

The Corporation of the City of Windsor

Internal Audit Summary Report

November 1, 2020 to April 30 2021

Prepared as of May 7, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.





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Appendix A - Summary of use of unallocated effort

Appendix B - Complaints & Investigations

Appendix C - Annual performance report

Appendix D - Liquidity Management Review Internal Audit Report

Appendix E - Covid-19 Health & Safety - Reopening of Workplace and Facilities (Sprint 2) Report

Appendix F - Management Action Plan Validation Report

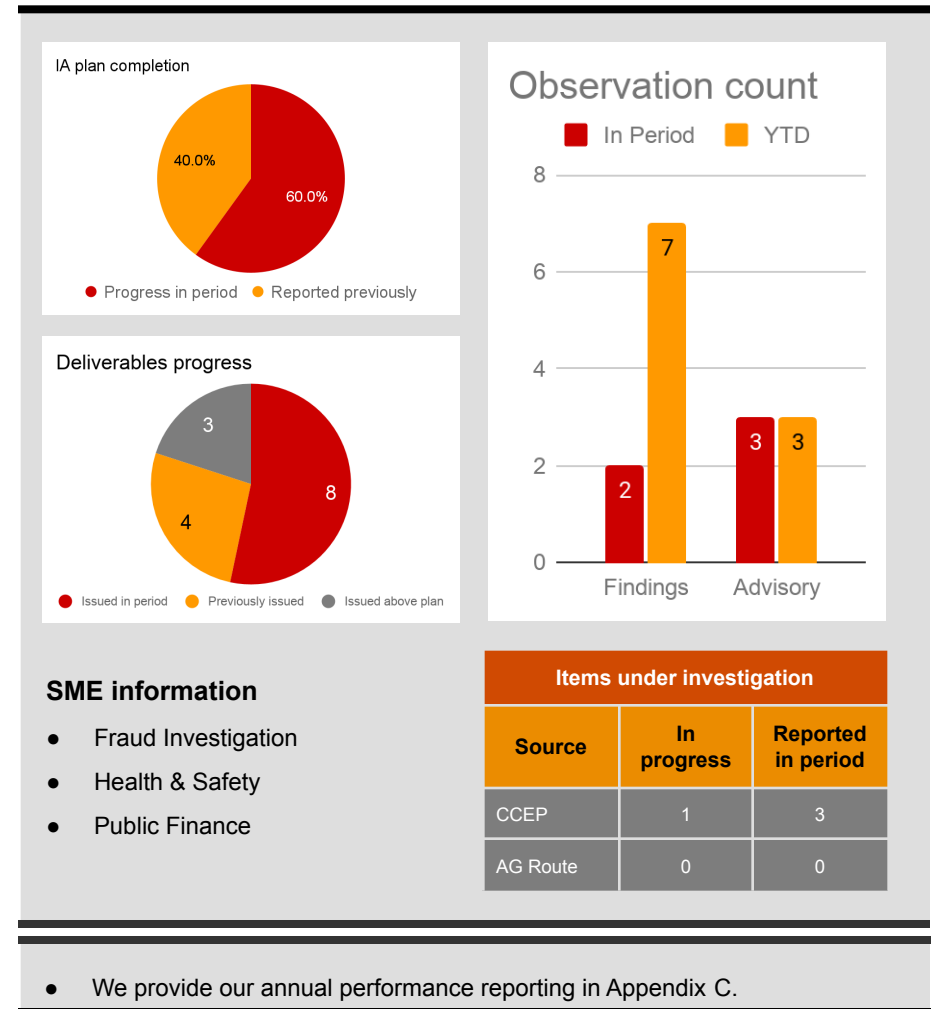
Appendix G - Hotline Investigation Report - Citizen Property Concern

Appendix H - Hotline Investigation Report - Sandwich South Secondary Expansion and Aboriginal Consult

1. Performance and status summary

Planned projects	Percent complete	Report issued
Risk Assessment and Annual Plan Development 2021-22	<div><div></div></div>	100%
IA Attendance at City Meetings	<div><div></div></div>	
a) Periodic Status & Reporting	<div><div></div></div>	100%
b) Periodic Status & Reporting	<div><div></div></div>	
Management Action Plan Validation (Annual)	<div><div></div></div>	100%
Hotline Administration	<div><div></div></div>	100% NA
Auditor General Complaint Handling	<div><div></div></div>	100% NA
Covid-19 Health & Safety - Reopening of Workplace and Facilities	<div><div></div></div>	100%
Fraud risk mitigation review	<div><div></div></div>	100%
Liquidity management	<div><div></div></div>	100%
Annual Performance Review	<div><div></div></div>	100%
Unallocated	<div><div></div></div>	100% NA


Legend			
	Issued in current period	Issued in prior period	In progress/ Not yet issued



2. Reports issued in period

2.1 Liquidity Management Review

Point of view - Sprint 1



Project POV: Liquidity stress events may not be appropriately mitigated if key liquidity metrics are not measured, monitored and mitigated through strong liquidity management practices.

00

Sprint 0 POV
Liquidity management policies are conservative in nature as a result of the pay-as you-go strategy. Liquidity management practices demonstrate alignment across all planning functions, and are implemented in a reasonable manner as demonstrated by June 2020 S&P credit scores and AA rating.

01

Sprint 1 POV
Management has the capabilities to measure key liquidity metrics over both a medium term (3-12 month) and long term (18-48 month) horizon but these metrics are not frequently measured or reported to allow stakeholders to make decisions based on internal trends and peer comparisons¹.

02

Sprint 2 POV
Cash flow models and budgeting systems are designed to accommodate flexible scenarios while capturing assumptions and decisions. Opportunities exist to utilize existing models to implement liquidity risk tolerances and targets, improving measurement and monitoring of early warning signals to inform liquidity contingency planning.

Strategic impact

Strong liquidity management practices enhance fiscal sustainability by creating a sound, stable financial position to make decisions.

Status of considerations for management

Consideration for management	Impact	Management status
None noted	NA	NA
None noted	NA	NA
Establish baseline measurements for selected liquidity metrics, as well as a tolerance and target for each of Council and Administration which will facilitate establishing appropriate monitoring practices and identification of potential early warning indicators. Definition of a liquidity risk tolerance will help the City to prudently manage its liquidity and support the ability to withstand a prolonged period of stress.	Fiscal flexibility and sustainability	Target completion date: Q2 2023
Management should continue to work towards developing a formal liquidity contingency plan that may include the following components: plausible stress events, early warning indicators and monitoring system, stress levels/tolerances, alternative funding sources, funding strategies, crisis management team, action plan, cash flow planning and scenario process.		

¹As detailed in the Appendix, four municipalities were selected from across Canada to conduct a peer analysis using publicly available information at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Overall management comments

Management will continue to assess if additional metrics within the annual financial statements report would be useful and are considered warranted and will continue to enhance existing budget development processes to look for opportunities to include additional leading indicators to what is currently in practice. There are a number of different strategies and practices currently in place to manage our liquidity shortfalls, as evidenced through the managing of the COVID-19 pandemic over the past year. Management will consider these strategies to develop a more formalized liquidity contingency plan.

Point of view - Sprint 2

Additional items for management's consideration

The following items were noted and discussed with management as considerations for improvement. They are not required actions; however, they are good practices. Implementing these practices would be innovative in a municipal setting. Such practices are, however, more aligned with basic practices in the broader business markets.

Through a benchmarking exercise¹ conducted to compare the performance of the City to a selected peer group, it was noted that the City demonstrates **strong liquidity metrics**, a higher age of infrastructure, lower tax levy increases, and a higher dependency on transfers from other levels of government. In the pursuit of **long term fiscal sustainability**, the City should continue to set aside funds for asset replacement, evaluate opportunities to adjust tax levies to peer municipalities, and explore other sources of revenue to reduce vulnerability to potential funding cuts. There are also opportunities for the City to enhance **public reporting over fiscal sustainability** to demonstrate the outcomes of liquidity management practices employed to create a sound, stable financial position to make decisions.

Consider selecting a minimum of 4-5 **key liquidity metrics** for more frequent measurement and reporting.

To enhance current **budget assumptions based on key indicators**, consider implementing leading indicators which are measurable and meaningful, and have a material impact on scenario development for budgets and forecasts.

¹As detailed in the Appendix, four municipalities were selected from across Canada to conduct a peer analysis using publicly available information at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Internal audit project canvas - Sprints 0, 1 & 2

<p>Common areas of risk for a liquidity stress event</p> <ol style="list-style-type: none">1. Decline in net asset/cash position.2. Decline in operating revenue.3. Unidentified impacts on planned operating surplus.4. Significant impacts from central bank monetary policy.5. Validity of historical assumptions used in approved budgets and subsequent forecasts.6. Insufficient scenario analysis and/or consideration of key economic indicators in forecasts and projections¹.7. Significant capital plan impacts.8. Insufficient early warning indicator practices.9. Incomplete liquidity contingency plan or playbook.10. Significant impact on future tax levy.11. Impact of any projected deficits from Government Business Enterprises (GBEs).	<p>Project drivers to inform conclusions on risk management practices</p> <ul style="list-style-type: none">• Liquidity horizons over which budgets, forecasts and projections are prepared.• Forecasted fiscal 2020 surplus and supplementary variance analysis.• Cash flow, surplus and capital plan forecasts beyond fiscal 2020.• Statements of recommended practice and common practice for liquidity horizons, forecast methodologies, and metrics.• S&P Global credit rating, and underlying methodology, for City of Windsor, June 3, 2020.• 20-Year Strategic Vision, City of Windsor.• Formal and informal liquidity management practices.• Government and central bank announcements.	<p>Value proposition of the Sprint approach</p> <ul style="list-style-type: none">• An agile internal audit is intended to provide insights into key risk areas through focused analysis that is based primarily on assessing evidence obtained through interviews and key documents.• By prioritizing areas of key risk through summary reporting, insights and management responses are intended to be more relevant and timely.
<p>¹ A forecast is based upon assumptions reflecting the conditions a government or entity expects to exist and the course of action reasonably expected to be followed. A projection is prepared to present one or more hypothetical courses of action that the government or entity might follow.</p>		<p>Key stakeholders</p> <ul style="list-style-type: none">• CFO, Treasurer and Deputy Treasurer• Deputy Treasurer, Taxation and Financial Projects• Deputy Treasurer, Financial Planning• Senior Manager of Asset Planning <p>Sprint 1 outcomes</p> <ul style="list-style-type: none">• Prioritized key liquidity metrics for further analysis.• Selected four municipalities with similar economic indicators to Windsor and compared key liquidity metrics to assess how well Windsor is managing liquidity in comparison to peers. <p>Sprint 2 outcomes</p> <ul style="list-style-type: none">• Identified key systems and processes used to generate future oriented financial information.• Identified early warning signals and practices and compared to common good practice of regulated entities.
<p>Key areas of analysis to understand comprehensiveness of liquidity risk management practices</p> <ul style="list-style-type: none">• Measurement of baseline liquidity metrics using historical financial information.• Analysis of management practices to calculate key liquidity metrics for future oriented financial information over a medium (3-12 month) and long term (18-36 month) horizon.• Benchmark of baseline liquidity metrics and liquidity management practices to relevant common practice.• Identification of potential early warning signals and common good practice for liquidity contingency planning.		

2.2 Covid-19 Health & Safety - Reopening of Workplace and Facilities (Sprint 2)

Point of View



Project POV: Health and Safety have implemented a robust, agile and responsive process to review COVID-19 specific risks and actions/measures needed to ensure the safe reopening of work sites and facilities for the return of employees to work and the resumption of services to the public.

Sprint 2 POV

The health and safety actions and responses implemented at facilities and departments by City Health and Safety in response to COVID-19 risks were adequately designed to maintain the safety of employees while at work, as well as when they return to work to resume services to the public.

Strategic Impact

Health & Safety related to City management's response to COVID-19 risks has an impact on the overall reputation of the City of Windsor. If improperly conducted negative reputational impacts are likely.

Status of considerations

While anomalies were noted in the a small number of survey responses the review of survey comments, consideration of existing practices and discussion with management did not identify specific findings requiring management action as it relates to the Sprint 2 point of view.

Overall Management Comments

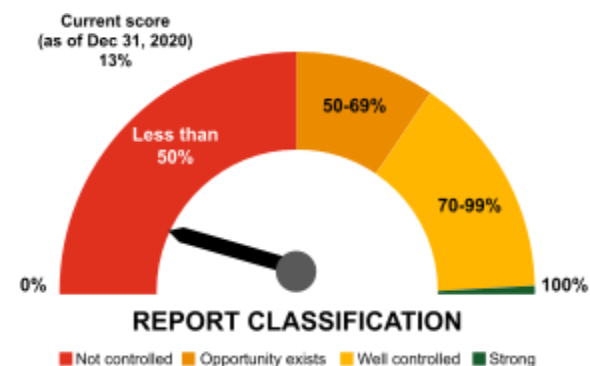
Management will continue to provide ongoing Corporate wide communication messages, articles in the City Circuit newsletter, availability to training, completion of Risk Assessment and updating our COVID-19 dashboard site for employees all in an effort to address any anomalies that came forward in these Surveys. Additionally anomalies as they pertain to cleaning and PPE have been discussed with the appropriate departments.

Internal Audit Project Canvas

<p>Risks / Concerns</p> <p>The work performed by Internal Audit (IA) was to understand the effectiveness of health and safety actions and practices implemented by the City Health and Safety team to address COVID-19 specific risks such as ineffective health & safety training, PPE quality and availability, breach of health and safety protocols.</p>	<p>Project Drivers</p> <p>As part of the City of Windsor COVID-19 internal audit plan, Internal Audit was asked to perform a review of management's current, or planned, response to adaptation of key policy/procedures in a wide variety of areas impacted by COVID-19.</p> <p>Through a detailed risk assessment process followed by Internal Audit, a view of a critical COVID-19 risks, impacts and considerations were obtained, the project objectives were defined and the review was conducted accordingly. The review included a survey which was sent to employees to understand their perspectives about the health and safety measures implemented by the City.</p>	<p>Value Proposition</p> <p>Delivery of an advisory internal audit via conducting an employee survey would provide timely insights to management to learn about employees' perspectives and also further enhance health and safety controls and measures implemented.</p>
<p>Project Objectives</p> <p>The objective of sprint 2 included measurement of health and safety actions and practices implemented by the City Health and Safety team using a survey approach. The survey covered key COVID-19 topics including Site Closures & Return to Work Schedules, COVID-19 Health and Safety Training, Daily Screening Protocols, Travel Restrictions, and PPE Availability and Awareness.</p>	<p>Scope period/Exclusion/Limitation</p> <p>The scope included Health and Safety processes which were introduced specifically to respond to COVID-19 risks which arose since the start of the pandemic.</p>	<p>Key Stakeholders</p> <ul style="list-style-type: none"> • Manager of Occupational Health, Safety and Wellness • Executive Director HR • City Clerk • City Solicitor <p>Project Outcomes</p> <p>The overall results of the survey were satisfactory. The response rate for the survey sent to supervisors and employees were 35% and 51% respectively. While some minor and isolated anomalies were noted from the survey responses, these were discussed with health and safety team who provided adequate documentation to provide comfort in these areas.</p>

2.3 Management Action Plan Validation Report

Key measures:	All findings	Significant findings
Average age of open findings :	1.9 years	3 years
Average age of past due findings:	2.2 years	3 years
Age of oldest past due finding:	5.6 years	5.6 years
Number of Past Due Findings:	28	6



In the above, ratings consideration is also given to the number of retargeted observations with a rating reduction for every 2% of action plan dates retargeted for the first time in this period.

Rating	Opening balance (as of December 31, 2019)	Additions in the year	Expected to be closed by Dec 31, 2020	Validated as closed by IA	Accepted risk (No validation)	Open at end of period (A+B-D-E)	Open – on track	Open & delayed
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Significant	9	0	7	3	0	6		6
High	1	0	1	0	0	1		1
Moderate	14	3	9	2	0	15	3	12
Low	6	5	7	4	0	7		7
Not Rated*	0	11	7	5	0	6	4	2
Total	30	19	31	14	0	35	7	28

Scope Period: January 1, 2020 through December 31, 2020

Approach: For validating management action plan, the activities undertaken by internal audit included:

- Requesting status updates and contact information from management;
- Testing/validating evidence of management's resolution/disposition of the original finding for items expected to be closed and/or indicated as closed by management;
- Preparing a report on the outcomes of the management action plan internal audit activity.

Conclusion: In the period, in total, 45% of findings that were expected to close in the period were closed.

- **Closed as planned:** There were 31 management action plans due to be implemented by December 31, 2020, or from prior periods, of which 14 were closed with a closure score of 45%
- **Closed in advance:** There were no management action plans closed ahead of schedule.
- **Additions:** 19 management action plans were added during the period.
- **Retargeted Items:** As of Dec 31, 2020, 28 action plans are open and delayed of which 16 were retargeted for the first time in this period.

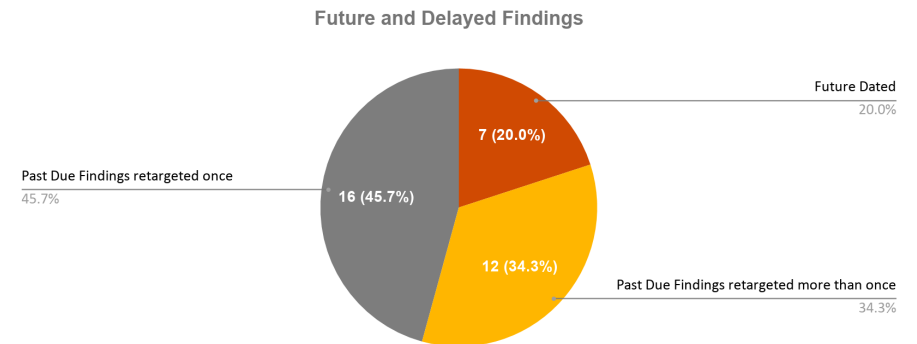
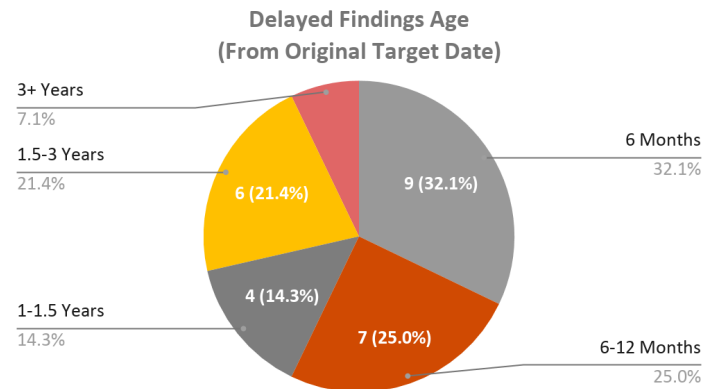
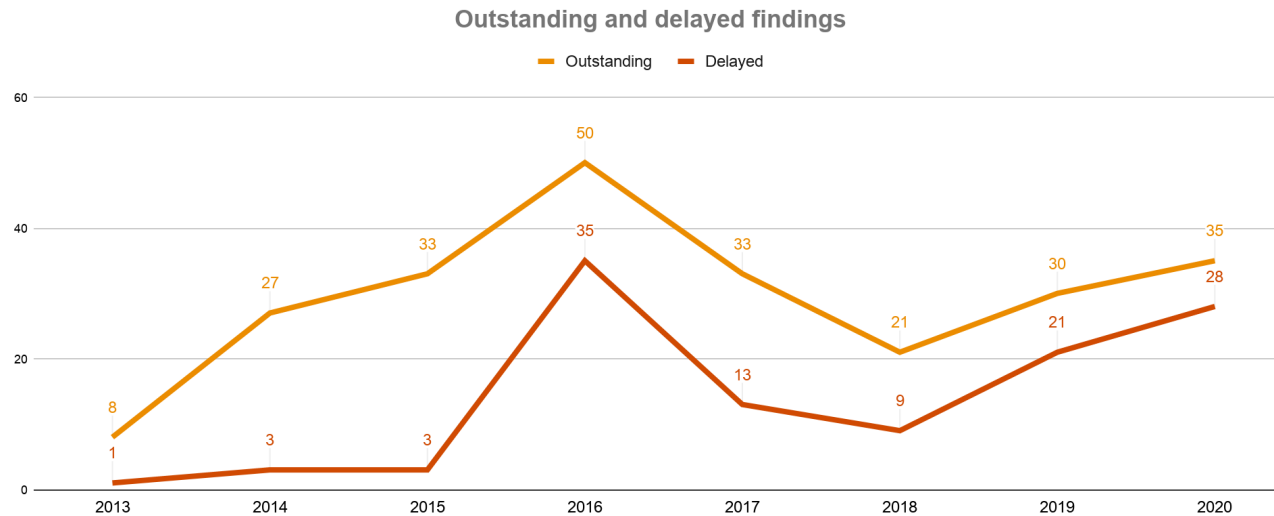
The overall trend for the year ending December 2020 has been classified as "Not Controlled" with an overall score of 13%. The major cause of these delays, nine findings out of 28 retargeted (32%), is a result of management having to deal with the pandemic at the same time as many of these findings were due.

The past year has been a unique and challenging year for society, business and government. In the face of this pandemic, management was able to progress and close 14 of the intended 31 action plans originally expected in the period. However, it is important to also note that the majority (28 out of 35 or 80%) of the prior internal control findings are past due (Open & Delayed). Of these 21 Open & Delayed findings relate directly to City departments (60% of open City department findings) and all 7 open Agencies, Boards and Commissions findings.

While it is important to consider the fact that management made progress in resolving half of these issues that were previously open it is also important that management and City Council understand that risk exposures remain until known gaps are mitigated. For the Open & Delayed findings 46% (13 of 28) have been a known exposure for at least 2 years. Many (61%) of the Open & Delayed findings are not anticipated to be resolved for an additional 12 months - increasing their overall aging.

Given the state of the world, the pandemic situation, and local initiatives City Council and Management should ensure that the timely resolution of open actions is considered, prioritized and the risk understood amidst the City's other initiatives and operational requirements.

Open and delayed trends as at December 31, 2020



2.4 Hotline Investigation Report - Citizen Property Concern

Executive summary

Allegation information

A complaint was received by the Auditor General which lead to an investigation of the following allegations by Internal Audit under the direction of the Auditor General:

Allegation 1 - Two properties (Property 1 and Property 2) belonged to an estate and were to be sold in a tax sale. One of these two properties (property 1) was sold as a result of tax sale however the property related correspondence for the estate owner of both properties were still being sent to the property 1 which now has a different owner.

Allegation 2 - Not able to receive information on the land owner/registration for Property 2 from the City and the management advised to visit the Land Registry office to seek this information which had a fee, however this information should be available at City free of cost as advised by the land registry. Also, the tax sale information regarding the Property 2 was not available/accessible.

Investigation approach

Allegation 1:

1. Understand the process for updating the mailing address for a given property related correspondence
2. Documentation maintained for the mailing address update for the property in question
3. Inspect the manual documented to provide specific instructions regarding processing an address change

Allegation 2:

1. Understand the process to obtain information / details about a given property by an external party
2. Understand the process regarding providing property tax sales information to citizens

Summary of procedures and findings

Allegation 1:

For a period of 12 months since March 2020 the City routed mail to Property 2 incorrectly to the Property 1 address.

Although a process exists at City to discuss mailing address changes with the Manager before initiating the change, this process was not followed in this instance. We have provided a recommendation to management regarding compliance with existing procedures. Management has corrected the error and have updated the current mailing address for Property 2 as Property 2 address; however, the mail is being returned again.

It is important to note that the main responsibility for ensuring the mailing address is correct resides with the property owner. The City's administrative process is in the absence of the property owner fulfilling their responsibility

Allegation 2:

Based on the above procedures, we understand that three options are, and have been, available to individuals seeking property information, two of which are available through the City. In addition, the tax sale information is also posted at the City website and published in local newspaper.

**Management
Comments**

A change to the procedures has been made which requires any change in ownership or mailing address to be submitted along with supporting documentation for approval by the Manager of Revenue and Collections.

2.5 Hotline Investigation Report - Sandwich South Secondary Expansion and Aboriginal Consult

Allegation information

A complaint was received via Concerned Citizen and Employee Hotline which lead to an investigation of the following allegation by Internal Audit under the oversight of the City's Auditor General:

The complainant mentioned that:

1. the underlying growth assumptions used in support for the approval of the Sandwich South Secondary plan were based on outdated data, and the Council's August 13, 2018 approval of this plan is not based on accurate/reliable information.
2. the City did not reach out to any group which directly represents First Nations people living in Windsor regarding consultation for Windsor's Official Plan. The complainant also mentioned that the City did reach out to other First Nation groups for consultation however no actual two-way communication occurred and the only notice was sent less than two hours before the end of the day of the deadline.

Investigation approach

For the allegations noted above we developed investigative procedures and carried out a documentation review provided by the complainant which included reports from different consulting companies that City had hired for conducting studies to support the sandwich south secondary plan.

Summary of procedures

We carried out our internal procedures which included documentation review and corresponding directly with the complainant via email and call. We had also developed our further procedures to carry out the investigation on the alleged complaints. However, during our process of discussing the above mentioned complaints with the management, we found that the above allegations were already presented in the court of law. The summarized details are as follow:

Details in regards to the underlying growth assumptions used:

We reviewed documentation indicating that the Local Planning Appeal Tribunal (LPAT) identified that the growth assumptions represent a reasonable approach consistent with the PPS when planning for a growing city and further, that the needs analysis required by the Provincial Policy statement, 2014 (PPS) is met by the thorough study, robust peer critique and the conservative results. This initial decision was later upheld by the Ontario Superior Court of Justice (Divisional Court).

Details in regards to the Consultation with First Nations:

We reviewed documentation indicating that the Local Planning Appeal Tribunal (LPAT) found that the statutory requirements for notice were satisfied and that the efforts made by the City for consultation are sufficient. This initial decision was later upheld by the Ontario Superior Court of Justice (Divisional Court).

Conclusion:

Upon identifying and reading the legal rulings by the external legislative bodies of LPAT and Divisional Court the CCEP complaint investigations were ceased.

2.6 Internal Audit Plan and coverage with a five year overview

Audit Type	2019/20	2020/21	2021/22 (proposed)	2022/23 (planned)	2023/24 (planned)
Financial	-	<ul style="list-style-type: none"> Liquidity Management 	-	-	-
Operational, Compliance, Performance/VFM	<ul style="list-style-type: none"> Purchased Services for Winter Control - VFM Audit HR Recruiting Process and Retention Strategy Cyber Response Strategy Security Programs & Safety Incident Management Planning & Development Risk Assessment & Planning 	<ul style="list-style-type: none"> Covid based policy and practice amendments Fraud risk mitigation enhancement Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Audit: Road Infrastructure Maintenance processes SmartCity Cyber Risk Mitigation Ransomware Strategy & Practices Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Aud - Transit Windsor - Service Delivery Review Diversity, Equity and Inclusion Digitization and Archiving Strategy: Windsor Public Library Risk Assessment & Planning 	<ul style="list-style-type: none"> Performance Audit: Workforce Management System - Post Implementation Review Huron Lodge - Compliance Management and Quality Inspection Program Employee Wellness - Mental Health Risk Assessment & Planning
Fraud & Waste Hotline	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Lancaster Stabilizers Chimczuk Funds Sewer Insurance Letter 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling Sandwich expansion and Aborginal Consult Citizen concern on AG mandate Citizen property concern 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling 	<ul style="list-style-type: none"> Concerned Citizen & Employee Hotline Auditor General Complaint Handling
Follow Up	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation 	<ul style="list-style-type: none"> Annual Management Action Plan Validation
Management & Oversight	<ul style="list-style-type: none"> Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc 	<ul style="list-style-type: none"> Auditor General Management & Oversight Adhoc

Note: The complete Risk Assessment & Internal Audit Plan 2021-22 has been presented as a separate document.

Appendices

Appendix A - Summary of use of unallocated effort

Unallocated Effort			
Activity	Requested by	2020-21 effort hours	Result
Initial analysis of Community Housing Corp Personnel based complaint and authority	Management	11	In process
Initial analysis, meeting, documentation review and reporting for the citizen property concern compliant	Management	35.5	completed
Total		46.5	

Appendix B - Complaints & Investigations

Complaints & Investigations							
Activity in the period	Checked within required time frame	# of Contacts Received	# of hang ups	# of handoffs to management	# of items under analysis	# of items under investigation	# of items investigated
Concerned Citizen and Employee Hotline Channel	Yes	75	4	66	2	-	3
Auditor General Channel	-	1	-	-	-	-	1

Item under analysis/investigation		
Description of item	Activities to date	Results
Community Housing Corp Personnel June 2020	Awaiting response from complaintant	Pending
Concerns about gas line work near a property April 2021	Awaiting response from complaintant	Pending

Appendix C - Annual Performance Report

PwC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

This report is confidential and is intended solely for use by the management of The City of Windsor and is not intended or authorized for any other use or party. If any unauthorized party obtains this report, such party agrees that any use of the report, in whole or in part, is their sole responsibility and at their sole and exclusive risk; that they may not rely on the report; that they do not acquire any rights as a result of such access and that PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

The Corporation of the City of Windsor

Auditor General and Internal Audit Annual Performance Report 2020-21

Report Prepared as of May 03, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Distribution List

For action	Drew Dilkens, Mayor Fred Francis, Member of Council Fabio Costante, Member of Council Rino Bortolin, Member of Council Chris Holt, Member of Council	Ed Sleiman, Member of Council Jo-Anne Gignac, Member of Council Gary Kaschak, Member of Council Kieran McKenzie, Member of Council Jim Morrison, Member of Council Jeewen Gill, Member of Council
For information	Jason Reynar, Chief Administrative Officer Joe Mancina, Chief Financial Officer/City Treasurer Mark Winterton, City Engineer Valerie Critchley, City Clerk & License Commissioner	Shelby Askin Hager, City Solicitor Jelena Payne, Commissioner Community Development & Health Ray Mensour, Acting Commissioner-Parks, Recreation, Culture, and Facilities

1. Introduction

Internal auditing is an independent, objective assurance, and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes (Source: The Institute of Internal Auditors).

The purpose of this annual performance report is to summarize and highlight the achievements and how the City Auditor General (AG) and the Internal Audit (IA) team delivered on its mandate.

We have completed 100% of our 2020-21 Internal Audit Plan. The IA projects this year ranged in scope and included testing over: assessment of internal controls, testing the efficiency and effectiveness of processes and procedures, and a process maturity or benchmarking audits. During the period, IA conducted findings follow-up for management actions to address internal audit findings/recommendations and also administered the Concerned Citizen & Employee Hotline which included carrying out investigations of three complaints.

IA work was conducted using PwC's Global Internal Audit Manual, which is aligned with the International Standards for the Practice of Internal Auditing as outlined in our contract.

Over the period of time IA has delivered value in several areas, including:

- cost-effective means to attain internal audit services;
- expansive resources available as an international firm, in terms of number of employees available to carry out the internal audits in a year, as well as subject matter specialists who are experienced in the subject matter under review. As noted above, these have been resourced to provide significant assistance with our projects; and
- an independent and impartial review of all areas under review in the year. PwC is bound by our professional standards as well as requirements to comply with our respective governing professional bodies.

Further areas of value include:

- PwC has maintained continuity in its key IA team members and has allocated a dedicated Manager Team Lead to work with the City. This has helped strengthen and leverage our understanding of the City from over the years increasing IA efficiency and management support.

2. Overview of the AG Responsibility as per the AG Charter

The AG's responsibilities and accountability are defined and approved by the City of Windsor through City Council and the CSSC as well as through the appointment of an Auditor General by the City of Windsor under the Act, which includes all activities that encompass:

- The examination and evaluation of the adequacy and effectiveness of the system of internal controls; and,
- The quality of performance in carrying out assigned responsibilities and operational activities.

The AG's responsibilities as mandated by the AG Charter and the respective actions are documented as follows:

#	Responsibility	Details
1	Develop a three year rolling plan using appropriate risk-based methodology.	An annual plan was prepared and presented to Council in light of the Pandemic circumstances in April 27, 2020. Given the Pandemic circumstance the plan was not a 4 year rolling plan but an annual plan. However, the plan followed a risk-based methodology considering the Internal Audit risk Universe, management's Enterprise Risk outputs, emerging municipal trends, pandemic related risks and an understanding of the current control environment.
2	Implement each year's audit plan, as approved, including as appropriate any special tasks or projects requested through CSSC for approval.	The audit plan was executed as approved and all projects have been reported on. In addition, special projects and reports related thereunto were completed for: <ol style="list-style-type: none"> 1. AG Mandate - Hotline Complaint Report 2. Sandwich expansion and Aboriginal Consult - Hotline Complaint Report 3. Citizen Property Concern - Hotline Complaint Report
3	Propose, and make merited, amendments to the annual Audit Plan and projects as per the provided powers and authority.	No revisions to the plan since the approval received by the Council in April 2020 were deemed necessary as the projects remained relevant and additional investigations which arose were undertaken.
4	Maintain professional resources with staff and, where appropriate, additional resources with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.	The core team remains substantially unchanged except for the departure of one team member. Further all personnel maintain their relevant professional designations and firm requirements. Subject matter specialists continue to be engaged on projects as needed. The use of subject matter specialists is outlined in section 3 of this report.

#	Responsibility	Details
5	Evaluate and assess important merging/consolidating functions and new or changing services, business units, processes, systems, operations, and control processes coincident with their development, implementation, and/or expansion.	Given the available budget and projects no additional work was conducted in these areas in the year.
6	Evaluate the reliability and integrity of operational and financial information and the means used to identify, measure, classify, and report such information.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
7	Evaluate the systems established to ensure compliance with policies, plans, procedures, laws, and regulations which could have a significant impact on the organization.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
8	Evaluate the means of safeguarding assets and, as appropriate, verify the existence of such assets.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
9	Evaluate the effectiveness and efficiency with which resources are employed.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
10	Evaluate operations or programs to ascertain whether results are consistent with established objectives and goals.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
11	Evaluate and report on risk management processes, significant risk exposures and control issues.	This criteria was incorporated into planning for each project executed and therefore coverage is only possible within the project scope.
12	Consider fraud risks during the planning of audits, alertness to process deficiencies or other red flags which indicate the possibility that fraud could or has occurred, the determination of whether further action is required, and the recommendation of investigations where appropriate.	This criteria was incorporated into planning for each project executed as well as through the evaluation of all inbound notifications therefore coverage is only possible within the project scope and any special reviews.
13	Assist as appropriate in the investigation of suspected fraudulent activities within the organization and notify management (where appropriate) and Council through the CSSC of the results.	No instances requiring direct participation were noted in the year.

#	Responsibility	Details
14	Issue periodic reports summarizing results of audit activities to the Executive Leadership Team and through the CSSC for approval by Council.	<p>Periodic updates have been provided to CSSC or Council as planned in</p> <ul style="list-style-type: none"> • Jan 2021 • May 2021 <p>This overall report documents the IA performance against the plan, resources and specialists engaged.</p>
15	Keep CSSC and Council informed of emerging trends and successful practices in internal auditing.	This is included in section 9 of this report and was leveraged in planning interviews with management.
16	Provide audit measurement goals and results to the City Council through the CSSC.	Goals and results have been defined and reported on annually. Status reports and performance measures are provided as part of the regular status updates. Final performance measures are provided in this report (annual performance report).
17	Coordinate its plans and efforts with those of the external auditors to avoid duplication of audit effort and to optimize audit coverage.	Annually a meeting with external auditors is held to discuss IA coverage, work performed, results observed, and areas of concern. This meeting was held between PwC and external auditors in September 2020.
18	In discharging its responsibilities or at the request of management, as appropriate, provide advice to management that add value and improve an organization's governance, risk management, and control processes without the AG assuming management responsibility.	During the year, we performed 3 Agile/Advisory audits as part of the IA plan which were planned mainly to provide management with timely information for management to possibly improve its governance, and risk management processes.
19	Execute a quality assurance and improvement program to ensure the effective operation of audit activities and annually report the results of the program to the CAO, or designate and Council through the CSSC.	<p>Final performance measures are provided in the performance report, or equivalent.</p> <p>Auditees have an anonymous method for providing rating of the team's performance and to provide feedback. The summary of this and the average ratings are provided to management and the City Council for each annual internal audit plan, at least upon plan completion.</p> <p>Firm and professional standards are applied in the review of team member work and deliverables during planning, execution and prior to issuance.</p>

3. Audit strategy, oversight and management support activities

An overall internal audit strategy for the City was determined in light of the business strategy as well as the current controls maturity, the overall inherent risks, the ranking of the risks, the perceived adequacy of controls and any control initiatives underway. Internal audit's long term mandate and annual plan were developed with the input of Council members and management and were originally approved by the Council on June 17, 2013 and subsequently by our engagement letter addendum dated January 24, 2020. The rolling three year internal audit plan and internal audit's risk perspective have been updated at least annually since then.

In developing and updating our plan, consideration was given to the nature of the risk and the ability of internal audit to add value beyond work that is already being performed by management. Our experienced internal audit professionals have prior experience in municipal government and the public sector with relevant certifications, having earned CIA and CISA designations, and actively participating in the Institute of Internal Auditors (IIA) roundtables and conferences. Among the core internal audit team, the following is a listing of the certifications and designations:

- Chartered Professional Accountants;
- Certified Internal Auditors;
- Certified in Control Self Assessments;
- Certified Information Systems Auditor;
- Certified in Risk Management Assurance;
- Certified in the Governance of Enterprise Information Technology; and
- Certified Information Privacy Manager.

Projects and the use of subject matter specialists

The following table summarizes the internal audits that were conducted and whether there was a use of PwC subject matter specialists (SMS):

Internal audit activity	SMS	Details
Covid based policy and practice amendments	✓	Our Health & Safety Specialist was leveraged to determine scope and identify potential recommendations presented as part of the final report.
Liquidity management	✓	Our Public Sector Finance Specialist was deployed on this project to provide insights on practices across other municipalities based on benchmarking and prior industry knowledge.
Fraud risk mitigation enhancement	✓	A Fraud Risk Specialist was brought on the team to assist with the risk assessment and provide recommendations for risk mitigation.

In order to achieve the above-mentioned internal audit mandate and strategy, as well as to avoid potential project management issues, PwC's internal audit team implemented the following items as a foundation to all of the deliverables:

- Open communication with City administration to ensure all deliverables meet or exceed quality expectations and agree on timelines and scope of work;
- Utilized fourteen (14) team members including three (3) subject matter experts, nine (9) core team members from different PwC offices in addition to our Acceleration Center (Global Service Delivery Team) and documentation team enabling the utilization of best suited skill sets and logistical access for the execution of the Internal Audits.
- Team members engaged for City Internal Audits were resourced from different offices including Windsor, Kitchener/Waterloo, London, Toronto, Calgary, and Ottawa as well as our Acceleration Centre (Global Service Delivery Centre).
- Ensure clarity of tasks amongst the internal audit team members;
- Accurate estimation of efforts during planning and scoping;
- Monitor efforts during planning and scoping;
- Provide status updates in a timely manner to ensure the City is aware of project progress or impediments to project;
- Clearly define and seek the City's feedback in a timely manner to ensure the City is aware of project progress or impediments to review in all scope memorandum;
- Clearly define all applicable roles in projects at the planning stage; and
- Worked with the PwC Acceleration Center teams to utilize the available pool of resources to assist in preparation of planning material, efficient execution of testing where possible, and to facilitate project deliverables such as status summary and audit reports as per PwC branding standards.

4. Summary of findings follow-up activity for the year

Each internal audit finding identified was rated in accordance with the approved rating guideline described in the Internal Audit Communication Plan. In our report as at December 31, 2020 there were a total of 31 findings to be resolved by management of which 14 were noted as resolved/closed by IA.

Opening (Jan 01, 2020)	Added in the year	Closed	Outstanding as of Dec 31, 2020	Open as Planned at Dec 31, 2020	Open and delayed a Dec 31, 2020	Expected to Be Resolved by December 31, 2021
30	19	14	35	7	28	29

Below is an overview of the current status of the findings that are currently open for only internal audit reports issued and the findings open at the time of outsourcing the internal audit function:

Audit Year	Deliverable Count	# of findings raised (as of Dec 31, 2020)	# of findings yet to close	% Closed as of December 31, 2020
2021	7	7	3	57%
2020	8	18	12	33%
2019	6	23	8	65%
2018	9	31	9	71%
2017	9	32	1	97%
2016	10	48	0	100%
2015	10	53	2	96%
2014	11	49	0	100%
Total IA Deliverable	69	261	35	76%

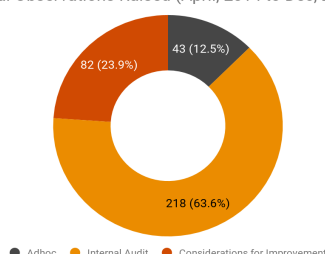
During the course of the year, PwC has advised senior management on key risks and appropriate recommendations to respond to key risks. Management has agreed with the majority of the findings and recommendations raised by internal audit.

Of the 69 deliverables where findings were raised, 52 were raised by planned/scheduled internal audit projects while 17 were raised by ad-hoc or special projects.

Please refer to Appendix A for more detail regarding the number of findings, area/department, and their status.

The following chart depicts the total findings and consideration for improvements raised by PwC since the beginning of its contracted term for the period April 2013 until Dec 31, 2020.

Total Observations Raised (April, 2014 to Dec, 2020)



5. Additional PwC services available to management to address audit findings

Changes in today's business environment and the associated risks are only accelerating. Examples of scenarios where AG/Internal Audit can assist the City in managing risks (where traditionally external auditors or forensic/specialist auditors would not directly be involved) include but are not limited to:

- Use data to manage risks more effectively
- Control risks associated with commercial contractual relationships
- Protect digital information and meet privacy requirements
- Better manage third party partnerships
- Optimize performance and seize opportunities through better risk management
- Gain competitive advantage by using new technologies
- Ensure that City's transformation program investments are protected and benefits are realized
- Build confidence in City's systems and processes

The above mentioned additional services are designed to help you respond effectively and execute robust, confident decisions that build resilience and support growth.

6. Fraud reporting

As part of the AG/internal audit function, we play a role in fraud investigation and reporting. Pursuant to our mandate,

“Assist in the investigation of significant suspected fraudulent activities pertaining to City and City assets and notify both management and the Executive Committee of the Council of the results.”

During the period, we received 3 alleged fraud complaints through the City's Concerned Citizen and Employee Hotline namely:

1. Hotline Complaint Report - AG Mandate
2. Hotline investigation Report - Sandwich expansion and Aboriginal Consult
3. Hotline investigation Report - Citizen Property Concern

An Internal Audit report for the AG Mandate was presented to the Council during the February, 2021 Council meeting, whereas reports for the Sandwich expansion and Aboriginal Consult, and the Citizen Property Concern related complaints were presented during the May 2021, CSSC meeting.

7. Summary of hotline activity for the year

Below is a listing of the total calls, emails and letters received during May 1, 2020 to April 30, 2021:

Complaints & Investigations								
Activity	Checked within required time frame	# of Spam Contacts	# of Contacts Received	# of hang ups	# of handoffs to management	# of items under analysis	# of items under investigation	# of items investigated
Concerned Citizen and Employee Hotline Channel	Yes	125	75	4	66	2	-	3
Auditor General Channel	NA	-	1	-	-	-	-	1

8. Summary of how IA met or exceeded Key Performance Indicators

Internal audit manages their projects with an organized and structured approach which begins with mobilizing a team of qualified staff which work collaboratively with the City's departments and staff through an internal audit liaison. The internal audit maintains continuous and regular communication with the City's liaison, to ensure deadlines are understood and expectations are met.

For individual projects, internal audit begins by distributing an internal audit notification to the liaison with the City to confirm the planned activities, the timelines and the identification of project sponsors. Following the internal audit notification, the liaison typically coordinates an initial planning discussion between the internal audit manager and the project sponsor identified. The discussion with the project sponsor assists in defining the business and control objectives while also confirming the timelines and other key participants that will be involved in the project. The internal audit team obtains preliminary understanding of the areas under review and initiates drafting the project scoping memo. This memo/planning material is eventually approved by the project sponsor and includes a summary of the review areas and control objectives relevant to the project.

This ongoing communication and coordination between internal audit and the project sponsor to agree on scope as well as project expectations and timelines, ensures that reasonable timelines are communicated and approved prior to commencing the audit fieldwork.

Respective participants of the departments audited met with the PwC internal audit team to validate our understanding and findings, and provided a defined management action plan.

To measure our performance, we report on KPIs upon plan completion for period May 1, 2020 to April 30, 2021:

Client Service		
Value Driver	Target	Results
Management support initiatives	As needed	None required
Fees planned versus billed	\$300,000	\$300,000
Client satisfaction target versus attained	At least 7 out of 10	8.7 out of 10
Timeline reporting by phase	See service delivery metric table	See service delivery metric table
Recommendations raised since April 2013-2014	N/A	261
Considerations for improvement identified since April 2013-2014	N/A	78
Recommendations validated as closed by management since April 2013-2014	N/A	226

Client Service			
Value Driver	Annual Score	Related to # of Projects	Considers # of Responses
Audit Quality Survey Score	8.7	4	4

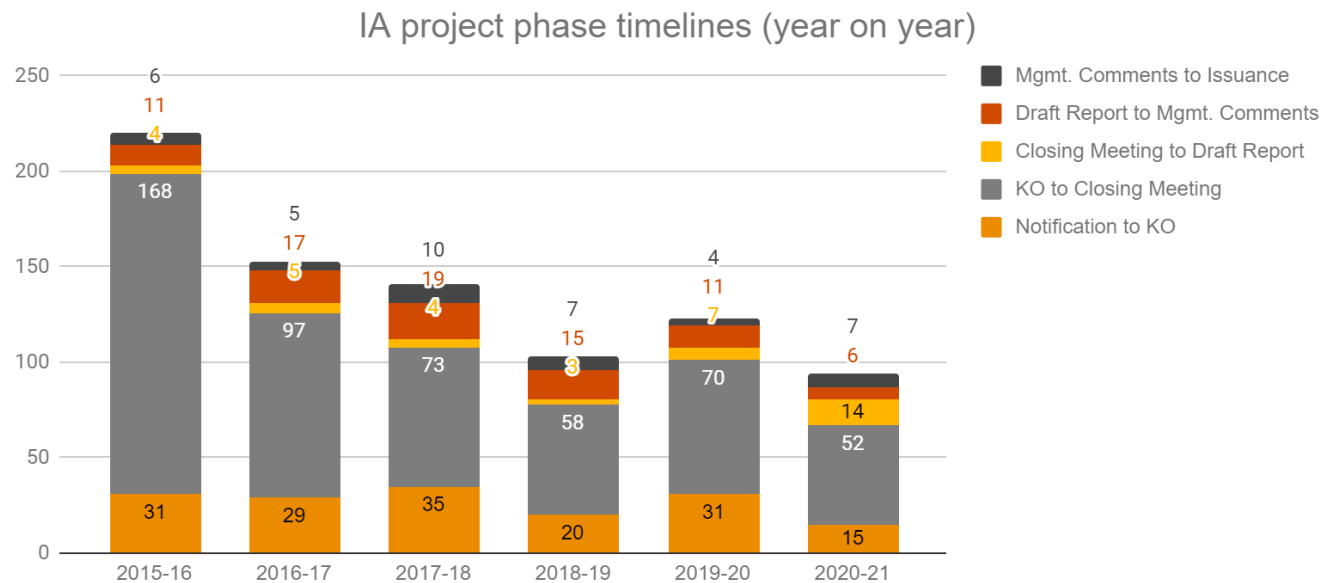
Survey question		
Value Driver	Average rating 2014 to 2020	Current year rating 2020-21
The City has confidence in the quality of work that PwC has performed.	8.4	8.3
During the project, the PwC team engaged us (key project participants including the project sponsor) in a meaningful conversation about our business that may have included new ideas about your own business or situation.	8.4	9
During the project, the PwC team was approachable, responsive, and developed positive relationships with our team.	8.9	8.3
In a way that was respectful of the City's other priorities, the PwC team efficiently delivered what they said they would in the internal audit scope memo.	8.5	8
The PwC team remained professional, independent, and objective in their dealings with the City personnel and the project.	9.0	9
We would recommend the PwC services to our other contacts.	8.9	9

Average customer service satisfaction scores are also depicted by chart below for the period from the audit year 2014 - 2021



Service Delivery Metrics					
Activity	Notification	Start	Draft report	Mgt Comments	Issuance
Target	At least 20 days prior to start	+/- 2 days from Kick-off Meeting	Within 5 days of completing fieldwork	Within 15 days of issuing draft report	Within 5 days of receiving management comments
Actuals	15	0	14	6	7

The following chart depicts the time taken in days on average for each phase of the Internal Audit Projects performed on a year on year basis and below the chart a table also details the target days for each phase.

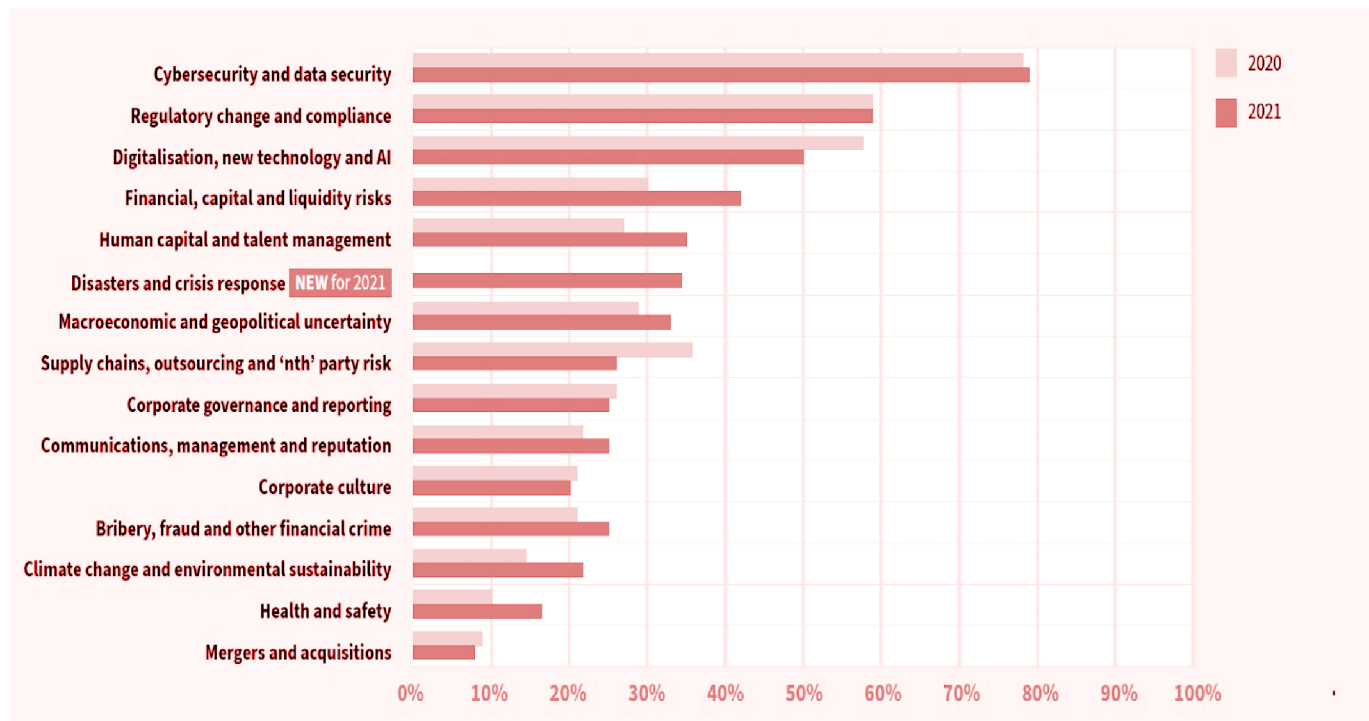


9. Emerging Trends and Successful Practices

In this section we provide a brief summary of trends related to audit of management operations by looking at an industry risk priority survey, emerging risks from a municipal audits perspective and trends in audit techniques.

Overall risk priorities in 2021 vs 2020 across various industries

The table below provides a perspective on pan-industry risks many of which impact the municipal environment:



Source: European Confederation of Institutes of Internal Auditors (ECIIA)

The top three risks currently facing businesses: cybersecurity and data security (79%), regulatory change and compliance (59%) and digitalization, new technology and AI (50%).

For the third year running, cybersecurity has topped the list of risks, with almost four in five (79%) businesses citing it as one of the major risks they face.



Summary of Emerging Risks from a Municipal Audit Perspective

As part of our planning interviews and considerations we explored the following general public sector emerging risk consideration:







Escalating Pandemic Risks

	Business Continuity and Disaster Recovery (BCDR) Management and governance structures.
	New or elevated workplace health and safety Incident response risks associated with increased use of remote working. Overall mental wellness and wellbeing of personnel.
	Talent Resilience & Workforce Management Protect employees during uncertainty.
	Risk Culture and Decision Making Consider impact on risk culture across the organisation
	Fraud Lapse of key fraud controls and management attention.
	Public Safety Providing essential services and protecting the public and personnel in a time of pandemic.

Operational & Financial Risks

	Supply Chain Visibility and efficiency of the supply chain.
	Corporate Financial Management Sharp declines in economic activity combined with an economic downturn.
	Third-Party Management Continuity of supply from third party service providers.
	Market Opportunities & Vulnerabilities Volatility in investment portfolios, returns and public funding (including timing).
	Tax & Regulatory Potential Impacts
	Third Party Risk Management Growing reliance on or long term nature of 3rd party relationships requires new risk management and control.

IT Risks

	Remote administration & IT Support Capacity Increased use of remote working arrangements.
	New or elevated cyber vulnerabilities Potential exposure due to new methods of working, new tools and lapses in security controls.
	Data Governance & Privacy Potential exposure of customer personal information
	IT Governance Pressure to implement major rapid infrastructure changes, and access management challenges
	Data and Analytics Slow Implementation of Advanced Analytics Due to Poor Data Quality
	Cloud Governance The adoption and use of cloud technologies creates new risks and requires new governance and control mechanisms

Other Risks

	Regulatory/government enforced changes due to COVID-19 Maintain compliance and plan for potential interim changes
	Changes to the control environment Management and governance structures
	Financial Reporting Resiliency over finance & accounting processes to provide stakeholder information
	Total Compensation Alignment of core compensation and benefits with business needs/constraints and market demands.
	Retention/Succession Talent retention and succession in light of workforce changes and increasing expectations related to advancement opportunities, staff morale, mentoring/feedback and upskilling

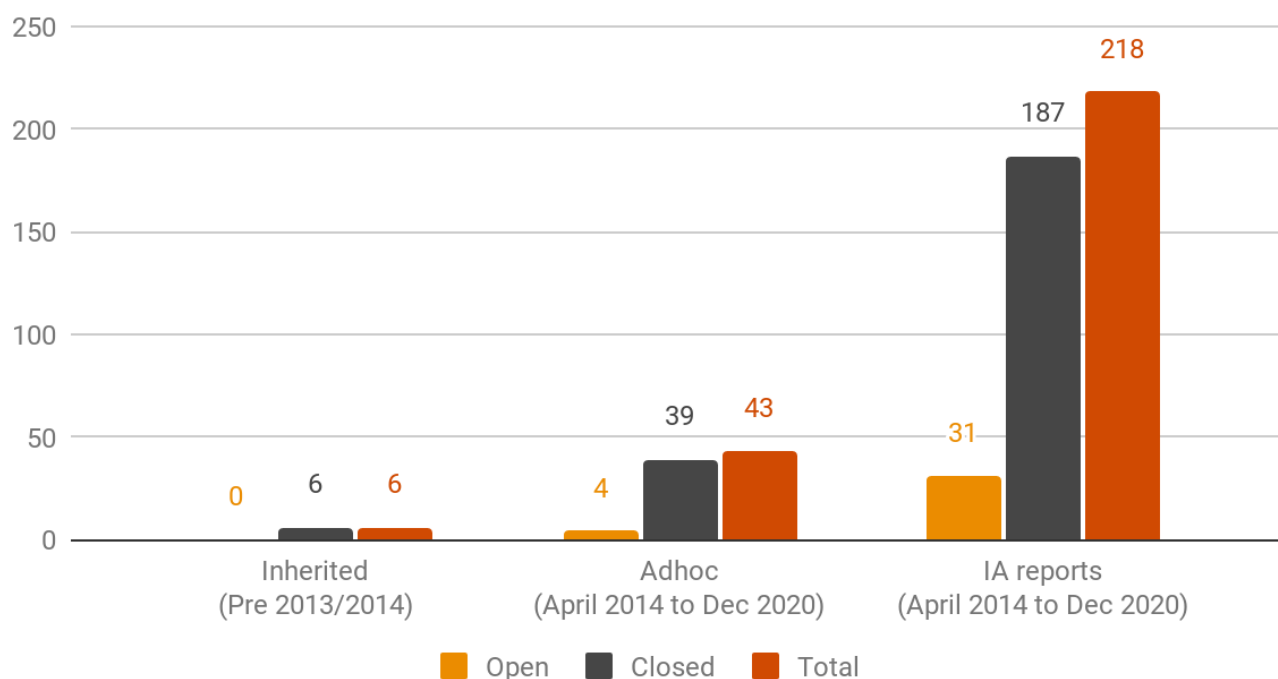
Other emerging trends in Audit Execution

- Blockchain, Robotic Process Automation (RPA), Artificial Intelligence (AI) and Machine Learning are no longer merely topics of debate in research journals-practical applications have already been employed in the world of auditing and in business management practices.

Appendix A: Summary of results

As of Dec 31, 2020, our findings follow-up log includes 35 open findings which includes the additional 2 findings being presented to CSSC in May 2021. As shown below, to date we validated management's closure of a total of 218 findings of which 187 (86%) were raised in IA Reports, 31 (14%) were raised as part of ad-hoc support to administration, and 6 (3%) inherited from the previous auditor.

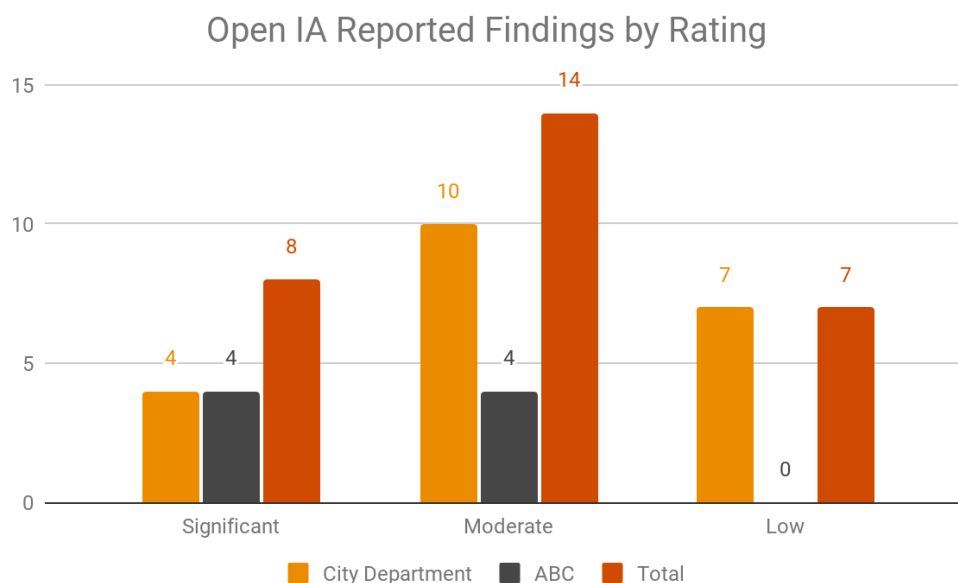
Finding Status by Origin



The following chart explains findings that are open across three rating categories (Ad-hoc findings and findings from agile/advisory projects are excluded as these are not rated).

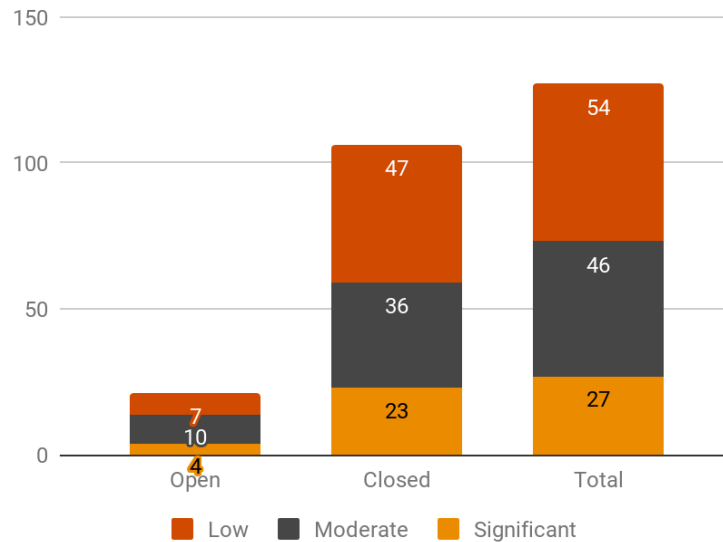
Of the open 29 findings from the 52 IA reports pertaining to City departments and ABCs (excluding 6 findings pertaining to Ad-hoc/agile/advisory projects which are not rated):

- 8 (28%) were rated as significant,
- 14 (48%) as moderate, and
- 7 (24%) as low.



For City Department findings, of the 21 open findings, 4 (19%) were rated as significant, 10 (48%) as moderate and 7 (33%) rated as low.

City Department Findings by Rating & Status

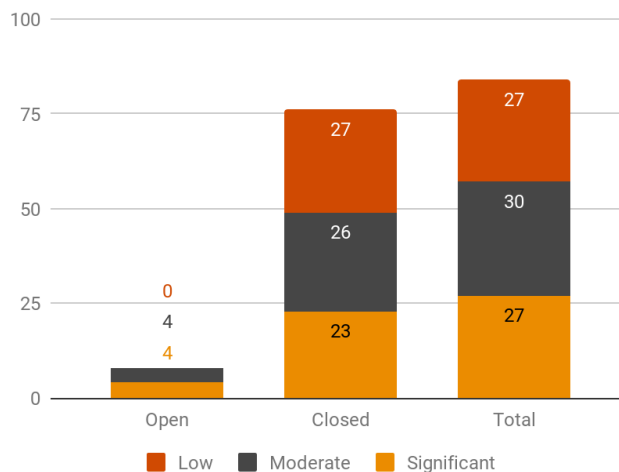


A.2 Agencies, Boards and Commissions Findings Status

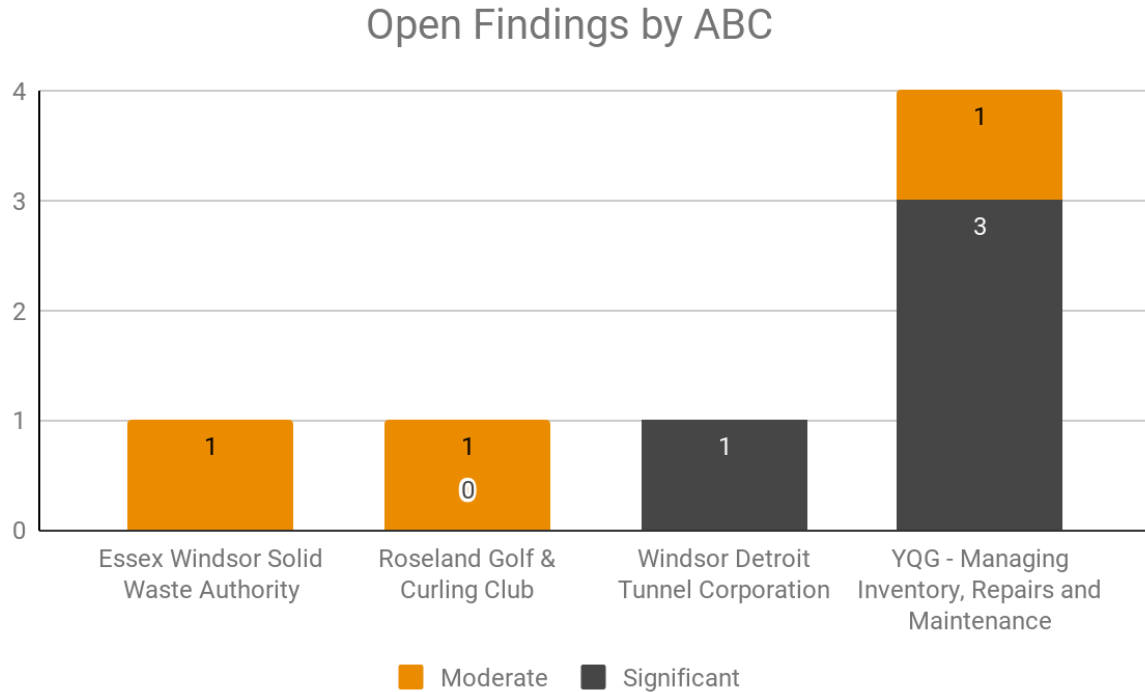
The following charts depict the Internal Audit findings pertaining to ABCs (excluding the Ad Hoc and inherited findings).

For ABC findings, of the 8 open findings, 4 (50%) were rated as significant, 4 (50%) as moderate and none were rated as low.

ABC Findings by Rating & Status

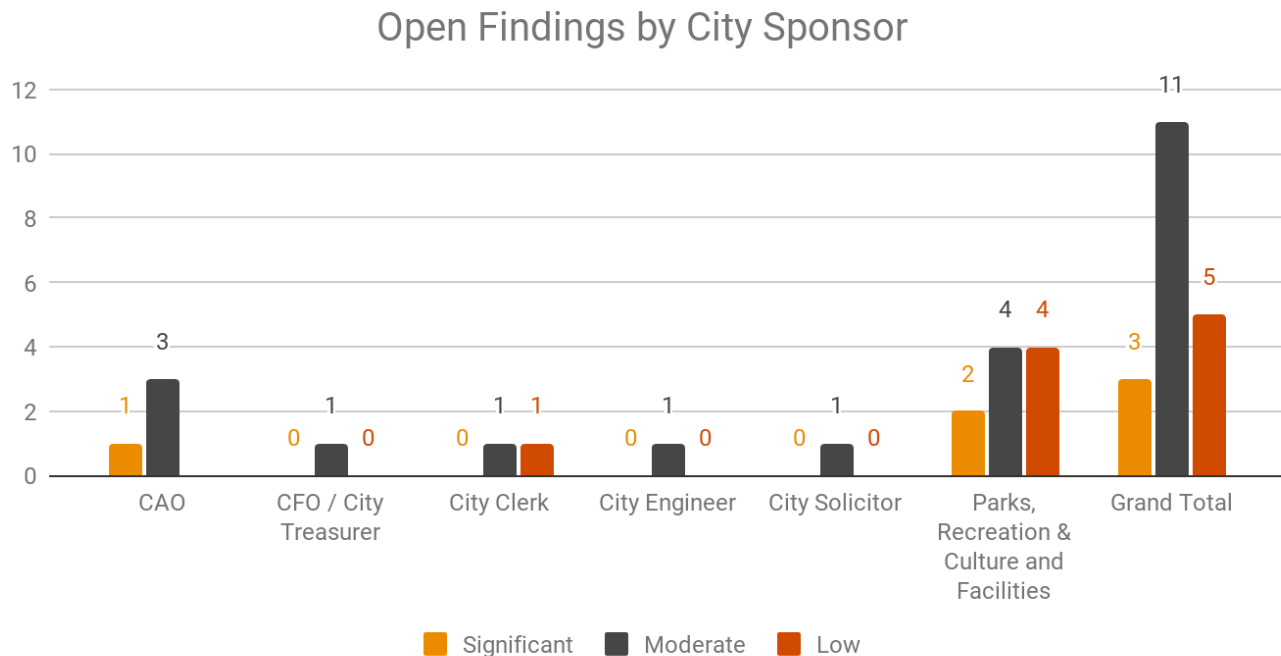


The following chart depicts the open findings by ABC along with the ratings:

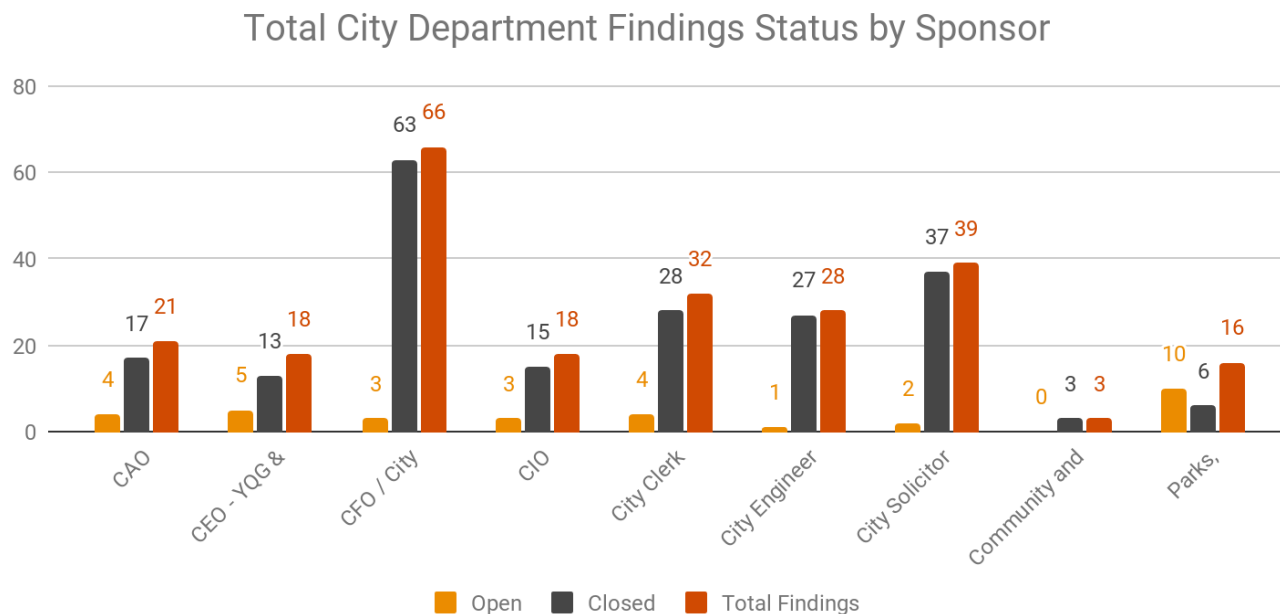


A.3 Finding Status by City Sponsor

The following charts depict the ratings of the currently open Internal Audit findings (excluding the Ad Hoc and inherited findings) by City Sponsors.



The following charts depict the status of the total Internal Audit findings (excluding the Ad Hoc and inherited findings) by City Sponsors.





Appendix D - Liquidity Management Review Internal Audit Report

PwC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

This report is confidential and is intended solely for use by the management of The City of Windsor and is not intended or authorized for any other use or party. If any unauthorized party obtains this report, such party agrees that any use of the report, in whole or in part, is their sole responsibility and at their sole and exclusive risk; that they may not rely on the report; that they do not acquire any rights as a result of such access and that PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

The Corporation of the City of Windsor

Liquidity Management Review

Internal Audit Summary Report

February 24, 2021

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership, which is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

Point of view - Sprint 1



Project POV: Liquidity stress events may not be appropriately mitigated if key liquidity metrics are not measured, monitored and mitigated through strong liquidity management practices.

00

Sprint 0 POV

Liquidity management policies are conservative in nature as a result of the pay-as-you-go strategy. Liquidity management practices demonstrate alignment across all planning functions, and are implemented in a reasonable manner as demonstrated by June 2020 S&P credit scores and AA rating.

01

Sprint 1 POV

Management has the capabilities to measure key liquidity metrics over both a medium term (3-12 month) and long term (18-48 month) horizon but these metrics are not frequently measured or reported to allow stakeholders to make decisions based on internal trends and peer comparisons¹.

02

Sprint 2 POV

Cash flow models and budgeting systems are designed to accommodate flexible scenarios while capturing assumptions and decisions. Opportunities exist to utilize existing models to implement liquidity risk tolerances and targets, improving measurement and monitoring of early warning signals to inform liquidity contingency planning.

Strategic impact

Strong liquidity management practices enhance fiscal sustainability by creating a sound, stable financial position to make decisions.

Status of considerations for management

Consideration for management	Impact	Management status
None noted	NA	NA
None noted	NA	NA
Establish baseline measurements for selected liquidity metrics, as well as a tolerance and target for each of Council and Administration which will facilitate establishing appropriate monitoring practices and identification of potential early warning indicators. Definition of a liquidity risk tolerance will help the City to prudently manage its liquidity and support the ability to withstand a prolonged period of stress.	Fiscal flexibility and sustainability	Target completion date: Q2 2023
Management should continue to work towards developing a formal liquidity contingency plan that may include the following components: plausible stress events, early warning indicators and monitoring system, stress levels/tolerances, alternative funding sources, funding strategies, crisis management team, action plan, cash flow planning and scenario process.		

¹As detailed in the Appendix, four municipalities were selected from across Canada to conduct a peer analysis using publicly available information at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Overall management comments

Management will continue to assess if additional metrics within the annual financial statements report would be useful and are considered warranted and will continue to enhance existing budget development processes to look for opportunities to include additional leading indicators to what is currently in practice. There are a number of different strategies and practices currently in place to manage our liquidity shortfalls, as evidenced through the managing of the COVID-19 pandemic over the past year. Management will consider these strategies to develop a more formalized liquidity contingency plan.

Point of view - Sprint 2

Additional items for management's consideration

The following items were noted and discussed with management as considerations for improvement. They are not required actions; however, they are good practices. Implementing these practices would be innovative in a municipal setting. Such practices are, however, more aligned with basic practices in the broader business markets.

Through a benchmarking exercise¹ conducted to compare the performance of the City to a selected peer group, it was noted that the City demonstrates **strong liquidity metrics**, a higher age of infrastructure, lower tax levy increases, and a higher dependency on transfers from other levels of government. In the pursuit of **long term fiscal sustainability**, the City should continue to set aside funds for asset replacement, evaluate opportunities to adjust tax levies to peer municipalities, and explore other sources of revenue to reduce vulnerability to potential funding cuts. There are also opportunities for the City to enhance **public reporting over fiscal sustainability** to demonstrate the outcomes of liquidity management practices employed to create a sound, stable financial position to make decisions.

Consider selecting a minimum of 4-5 **key liquidity metrics** for more frequent measurement and reporting.

To enhance current **budget assumptions based on key indicators**, consider implementing leading indicators which are measurable and meaningful, and have a material impact on scenario development for budgets and forecasts.

¹As detailed in the Appendix, four municipalities were selected from across Canada to conduct a peer analysis using publicly available information at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Internal audit project canvas - Sprints 0, 1 & 2

<p>Common areas of risk for a liquidity stress event</p> <ol style="list-style-type: none"> 1. Decline in net asset/cash position. 2. Decline in operating revenue. 3. Unidentified impacts on planned operating surplus. 4. Significant impacts from central bank monetary policy. 5. Validity of historical assumptions used in approved budgets and subsequent forecasts. 6. Insufficient scenario analysis and/or consideration of key economic indicators in forecasts and projections¹. 7. Significant capital plan impacts. 8. Insufficient early warning indicator practices. 9. Incomplete liquidity contingency plan or playbook. 10. Significant impact on future tax levy. 11. Impact of any projected deficits from Government Business Enterprises (GBEs). <p>¹ A forecast is based upon assumptions reflecting the conditions a government or entity expects to exist and the course of action reasonably expected to be followed. A projection is prepared to present one or more hypothetical courses of action that the government or entity might follow.</p>	<p>Project drivers to inform conclusions on risk management practices</p> <ul style="list-style-type: none"> • Liquidity horizons over which budgets, forecasts and projections are prepared. • Forecasted fiscal 2020 surplus and supplementary variance analysis. • Cash flow, surplus and capital plan forecasts beyond fiscal 2020. • Statements of recommended practice and common practice for liquidity horizons, forecast methodologies, and metrics. • S&P Global credit rating, and underlying methodology, for City of Windsor, June 3, 2020. • 20-Year Strategic Vision, City of Windsor. • Formal and informal liquidity management practices. • Government and central bank announcements. 	<p>Value proposition of the Sprint approach</p> <ul style="list-style-type: none"> • An agile internal audit is intended to provide insights into key risk areas through focused analysis that is based primarily on assessing evidence obtained through interviews and key documents. • By prioritizing areas of key risk through summary reporting, insights and management responses are intended to be more relevant and timely. <p>Key stakeholders</p> <ul style="list-style-type: none"> • CFO, Treasurer and Deputy Treasurer • Deputy Treasurer, Taxation and Financial Projects • Deputy Treasurer, Financial Planning • Senior Manager of Asset Planning <p>Sprint 1 outcomes</p> <ul style="list-style-type: none"> • Prioritized key liquidity metrics for further analysis. • Selected four municipalities with similar economic indicators to Windsor and compared key liquidity metrics to assess how well Windsor is managing liquidity in comparison to peers. <p>Sprint 2 outcomes</p> <ul style="list-style-type: none"> • Identified key systems and processes used to generate future oriented financial information. • Identified early warning signals and practices and compared to common good practice of regulated entities.
<p>Key areas of analysis to understand comprehensiveness of liquidity risk management practices</p> <ul style="list-style-type: none"> • Measurement of baseline liquidity metrics using historical financial information. • Analysis of management practices to calculate key liquidity metrics for future oriented financial information over a medium (3-12 month) and long term (18-36 month) horizon. • Benchmark of baseline liquidity metrics and liquidity management practices to relevant common practice. • Identification of potential early warning signals and common good practice for liquidity contingency planning. 		

Appendix: Benchmarking Exercise

Selection of peer municipalities

The Conference Board of Canada provides regular insights on economic indicators for major cities across Canada. We examined the indicators for 23 Canadian cities, and selected the following four cities for comparison due to similar size and at least 3 of 5 other key indicators being within an acceptable range of similarity.

Key indicators used to select peer municipalities:

- **Population:** the number of residents is an indicator of the number of services a City will provide.
- **Housing starts:** a *leading indicator* that projects the path toward expansion (economic growth) or contraction (recession).
- **Consumer Price Index (CPI):** a measure of the changes in the average price of a typical basket of goods and services purchased by consumers.
- **Personal income per capita:** used to evaluate the standard of living and quality of life of the population.
- **Unemployment rate:** measures the ability of workers to readily obtain gainful work to contribute to the productive output of the economy
- **Real Gross Domestic Product (GDP) %:** represents the value of all goods and services produced by an economy in a given year, excluding inflation.

Table 1:

Source: Conference Board of Canada insights on major cities

Economic Indicators	Windsor-Essex Area <i>Ontario</i>	Regina <i>Saskatchewan</i>	Moncton <i>New Brunswick</i>	Oshawa <i>Ontario</i>	Kingston <i>Ontario</i>
Population (000s)	356.9	265.4	157.6	419	177.2
Housing starts (units)	1,006	1,008	933	1,398	638
Consumer price index (2002 = 1.00)	1.39	1.41	1.37	1.39	1.39
Personal income per capita (\$)	\$46,909	\$51,640	\$45,315	\$48,249	\$45,967
Unemployment rate %	8.8	9.0	8.9	7.4	7.3
Real GDP %	-4.4	-7.1	-2.5	-3.7	-3.4

Information presented within this report is publicly available, at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Peer comparison for liquidity management outcomes (metrics)

While Windsor demonstrates strong liquidity metrics in comparison to selected peers, there may be an opportunity to adjust tax levies or debt to a level that is consistent with the selected peers to access additional funding to enhance long term fiscal sustainability.

Key liquidity metrics for credit rating:

- **Interest cost as a % of revenue***: calculated as 2019 consolidated interest cost over 2019 total revenue.
- **Average¹ free cash and liquid assets**: calculated as cash plus short term investments plus accounts (taxes) receivable less financial liabilities² less reserves at December 31, 2019 less 2020 commitments.
- **Average¹ free cash and liquid assets as a % of debt service**: average free cash and liquid assets as calculated above over 2019 consolidated interest cost³.
- **Tax levy increase***: measured as the increase in property taxes from 2018 to 2019.
- **Net assets (debt)***: as indicated on the 2019 audited statement of financial position.
- **Annual surplus**: as indicated on the 2019 audited statement of operations.
- **Reserve levels***: as indicated in the 2019 audited financial statements.
- **Tax-supported debt as a % of operating revenues**: total long term debt from the 2019 audited statement of financial position over 2019 total revenue from the statement of operations.

*select metrics summarized in Table 2

Table 2:

Source: Audited Financial Statements, S&P

\$000's (December 2019)	Windsor	Regina	Oshawa	Kingston	Moncton
S&P rating	AA	AAA	AAA	n/a	A+
Overall ranking based on key liquidity metrics (see Table 3 for further details)	1	2	3	4	5
Interest cost as a % of revenue	0.42%	1.73%	1.44%	3.08%	4.16%
Tax levy increase (year-over year)	2.20% ⁴	5.00%	3.32% ⁴	4.15% ⁴	3.84%
Net assets (debt)	\$189,751	\$34,859	\$33,607	\$(243,363)	\$(125,313)
Reserve levels	\$216,293	\$201,177	\$94,918	\$273,719	\$60,194
Other Metrics					
Line of credit	\$100,000	\$147,400	n/a	\$10,000	\$25,000
% of approved debt limit utilized	n/a ³	67.24%	n/a ³	n/a ³	78.91%
Employee future benefit liabilities	\$603,261	\$67,949	\$53,359	\$55,525	\$11,372

Information presented within this report is publicly available, at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

¹ Assumed that 2019 reasonably reflected average given purpose of analysis.

² As per audited statement of financial position at December 31, 2019, excludes liabilities for employee future benefits and landfill closure/contaminated site remediation.

³ Annual principal and interest payments required to service long term debt are within the annual debt repayment limits prescribed by the Ministry of Municipal Affairs and Housing and approval by Treasurer's Certificate, By-law or the Ontario Municipal Board was obtained for all debt issuances.

⁴ BMA Management Consulting Inc. 2019 Residential Property Tax Comparisons rank Windsor and Kingston as mid-range in their comparison of relative taxes at \$3,295 and \$3,652 respectively, while Oshawa is ranked as high-range at \$4,581 per detached bungalow.

Peer comparison of S&P metrics

Table 3: Source: Calculated S&P metrics based on S&P Criteria and Methodology For Rating Local And Regional Governments Outside Of The U.S, as well as available information from Audited Financial Statements and Notes

S&P liquidity metrics:	Ranks*				
	1st	2nd	3rd	4th	5th
Interest cost as a % of revenue	Windsor	Oshawa	Regina	Moncton	Kingston
Average free cash and liquid assets	Windsor	Oshawa	Regina	Moncton	Kingston
Average free cash and liquid assets as a % of debt service	Windsor	Regina	Oshawa	Moncton	Kingston
Tax levy increases	Regina	Kingston	Moncton	Oshawa	Windsor
Net assets / (debt)	Windsor	Regina	Oshawa	Moncton	Kingston
Annual surplus	Regina	Kingston	Windsor	Moncton	Oshawa
Reserve levels	Kingston	Windsor	Regina	Oshawa	Moncton
Tax-supported debt as a % of operating revenues	Windsor	Oshawa	Regina	Kingston	Moncton
Overall rating	Windsor	Regina	Oshawa	Kingston	Moncton

Information presented within this report is publicly available, at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Peer comparison for liquidity management outcomes (metrics)

There are opportunities for to enhance public reporting over fiscal sustainability to demonstrate the outcomes liquidity management practices employed to create a sound, stable financial position to make decisions.

Windsor's net book value of capital assets-to-cost of capital is one of the lowest of the selected peers, indicating a higher age of infrastructure. The City should continue to set aside funds for asset replacement to enhance flexibility.

Key sustainability metrics per PSAB SORP-4:

- **Assets-to-liabilities***
- **Financial assets-to-liabilities***
- **Net assets-to-total annual revenue**
- **Expense by function-to-total expenses**
- **Net assets-to-GDP* or taxable assessment**
- **Accumulated surplus-to-GDP* or taxable assessment**
- **Total expenses-to-GDP* or taxable assessment**

Key flexibility metrics per PSAB SORP-4:

- **Public debt charges-to-revenues:** this is the same metric as the credit rating metric of Interest cost as a % of revenue
- **Net book value of capital assets-to-cost of capital assets***
- **Own-source revenues-to-GDP* or taxable assessment**

Key vulnerability metrics per PSAB SORP-4:

- **Government transfers-to-total revenues***
- **Foreign currency debt-to-net debt:** not considered a key metric for local government

While Windsor's sustainability and flexibility metrics are consistent with selected peers, Windsor's higher dependency on government transfers may result from its strategic location as a Canada-US border and transportation hub. Where possible, other sources of revenue should continue to be explored to reduce vulnerability to potential funding cuts from other levels of government.

Table 4:

Source: Audited Financial Statements and Notes, using the most reasonable information available.

\$000's (December 2019)	Windsor	Regina	Oshawa	Moncton	Kingston
Overall ranking based on key liquidity metrics (see Tables 5, 6 and 7 for further details)	1	2	3	4	5
Assets-to-liabilities	3.70	5.35	3.64	3.91	3.12
Financial assets-to-liabilities	1.22	1.06	1.14	0.50	0.65
Net assets (debt) to GDP	1.26%	0.21%	0.23%	(1.62)%	(2.70)%
Accumulated surplus to GDP	15.49%	14.03%	4.30%	9.48%	16.29%
Total expenses to GDP	5.30%	3.93%	1.28%	2.35%	5.53%
Net book value of capital assets-to-cost of capital assets	0.59	0.67	0.58	0.63	0.63
Government transfers-to-total revenues ⁵	27.14%	11.45%	2.24%	10.16%	22.72%

*select metrics summarized in Table 4

⁵ Government transfers for both capital and operating expenditures are included for purposes of this comparison due to information constraints. Note that the City of Regina reported government transfers for operating expenditures to total revenues in their 2019 Annual Report.

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Peer comparison for liquidity management outcomes (metrics) - continued

Sustainability is the degree to which a government can maintain its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others without increasing the debt or tax burden relative to the economy within which it operates.

Table 5:

Source: Audited Financial Statements and Notes, using the most reasonable information available.

Key sustainability metrics	Rank				
	1st	2nd	3rd	4th	5th
Assets-to-liabilities	Regina	Windsor	Moncton	Oshawa	Kingston
Financial assets-to-liabilities	Windsor	Oshawa	Regina	Kingston	Moncton
Net debt-to-total annual revenue	Windsor	Oshawa	Regina	Kingston	Moncton
Net assets-to-GDP	Windsor	Oshawa	Regina	Moncton	Kingston
Accumulated surplus-to-GDP	Kingston	Windsor	Regina	Moncton	Oshawa
Total expenses-to-GDP	Oshawa	Moncton	Regina	Windsor	Kingston
Overall rating	Windsor	Oshawa Regina	-	Moncton	Kingston

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Peer comparison for liquidity management outcomes (metrics) - continued

Flexibility is the degree to which a government can change its debt or tax burden on the economy within which it operates to meet its existing financial obligations both in respect of its service commitments to the public and financial commitments to creditors, employees and others.

Table 6:

Source: Audited Financial Statements and Notes, using the most reasonable information available.

Key flexibility metrics	Rank				
	1st	2nd	3rd	4th	5th
Public debt charges-to-revenues	Windsor	Oshawa	Regina	Moncton	Kingston
Net book value of capital assets-to-cost of capital assets	Regina	Kingston Moncton	-	Windsor	Oshawa
Own-source revenues-to-GDP or taxable assessment.	Kingston	Windsor	Regina	Moncton	Oshawa
Overall rating	Windsor Regina	-	Kingston	Moncton	Oshawa

Information presented within this report is publicly available, at a point in time. Readers should not place undue reliance on the information presented in this report, as actual results over a period of time may differ materially.

Table 7:

Source: Audited Financial Statements and Notes, using the most reasonable information available.

Key vulnerability metrics	Rank				
	1st	2nd	3rd	4th	5th
Government transfers-to-total revenues ⁵	Oshawa	Moncton	Regina	Kingston	Windsor

⁵ Government transfers for both capital and operating expenditures are included for purposes of this comparison. Note that the City of Regina reported government transfers for operating expenditures to total revenues in their 2019 Annual Report.

Limitations inherent to the internal auditor's work

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses, and if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

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Appendix E - Covid-19 Health & Safety - Reopening of Workplace and Facilities (Sprint 2) Report

PWC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

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The Corporation of the City of Windsor

Covid-19 Health & Safety - Reopening of Workplace and Facilities
Sprint 2 - Internal Audit Report
April 12, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Point of View



Project POV: Health and Safety have implemented a robust, agile and responsive process to review COVID-19 specific risks and actions/measures needed to ensure the safe reopening of work sites and facilities for the return of employees to work and the resumption of services to the public.

Sprint 2 POV

The health and safety actions and responses implemented at facilities and departments by City Health and Safety in response to COVID-19 risks were adequately designed to maintain the safety of employees while at work, as well as when they return to work to resume services to the public.

Strategic Impact

Health & Safety related to City management's response to COVID-19 risks has an impact on the overall reputation of the City of Windsor. If improperly conducted negative reputational impacts are likely.

Status of considerations

While anomalies were noted in the a small number of survey responses the review of survey comments, consideration of existing practices and discussion with management did not identity specific findings requiring management action as it relates to the Sprint 2 point of view.

Overall Management Comments

Management will continue to provide ongoing Corporate wide communication messages, articles in the City Circuit newsletter, availability to training, completion of Risk Assessment and updating our COVID-19 dashboard site for employees all in an effort to address any anomalies that came forward in these Surveys. Additionally anomalies as they pertain to cleaning and PPE have been discussed with the appropriate departments.

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Internal Audit Project Canvas

<p>Risks / Concerns</p> <p>The work performed by Internal Audit (IA) was to understand the effectiveness of health and safety actions and practices implemented by the City Health and Safety team to address COVID-19 specific risks such as ineffective health & safety training, PPE quality and availability, breach of health and safety protocols.</p>	<p>Project Drivers</p> <p>As part of the City of Windsor COVID-19 internal audit plan, Internal Audit was asked to perform a review of management's current, or planned, response to adaptation of key policy/procedures in a wide variety of areas impacted by COVID-19.</p> <p>Through a detailed risk assessment process followed by Internal Audit, a view of a critical COVID-19 risks, impacts and considerations were obtained, the project objectives were defined and the review was conducted accordingly. The review included a survey which was sent to employees to understand their perspectives about the health and safety measures implemented by the City.</p>	<p>Value Proposition</p> <p>Delivery of an advisory internal audit via conducting an employee survey would provide timely insights to management to learn about employees' perspectives and also further enhance health and safety controls and measures implemented.</p>
<p>Project Objectives</p> <p>The objective of sprint 2 included measurement of health and safety actions and practices implemented by the City Health and Safety team using a survey approach. The survey covered key COVID-19 topics including Site Closures & Return to Work Schedules, COVID-19 Health and Safety Training, Daily Screening Protocols, Travel Restrictions, and PPE Availability and Awareness.</p>	<p>Scope period/Exclusion/Limitation</p> <p>The scope included Health and Safety processes which were introduced specifically to respond to COVID-19 risks which arose since the start of the pandemic.</p>	<p>Key Stakeholders</p> <ul style="list-style-type: none"> • Manager of Occupational Health, Safety and Wellness • Executive Director HR • City Clerk • City Solicitor <p>Project Outcomes</p> <p>The overall results of the survey were satisfactory. The response rate for the survey sent to supervisors and employees were 35% and 51% respectively. While some minor and isolated anomalies were noted from the survey responses, these were discussed with health and safety team who provided adequate documentation to provide comfort in these areas.</p>

Limitations inherent to the internal auditor’s work

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management’s responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management’s responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses, and if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

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Appendix F - Management Action Plan Validation Report

PwC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

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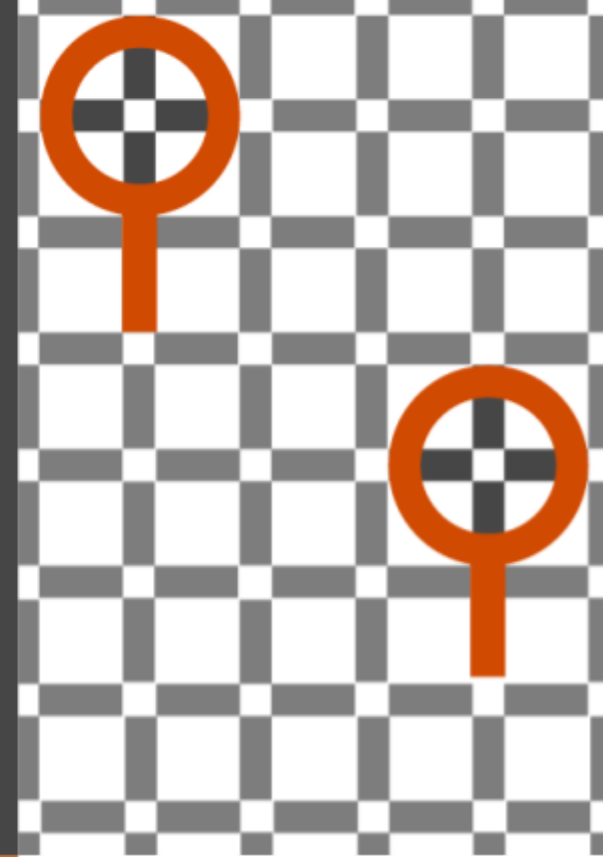
The Corporation of the City of Windsor Management Action Plans Validation Report

For the period January 1, 2020 to
December 31, 2020

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.

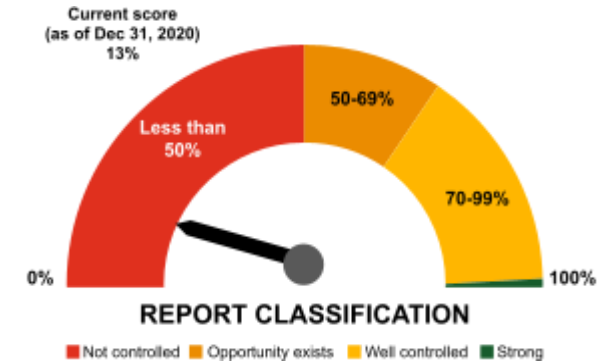


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1. Executive summary

Key measures:	All findings	Significant findings
Average age of open findings :	1.9 years	3 years
Average age of past due findings:	2.2 years	3 years
Age of oldest past due finding:	5.6 years	5.6 years
Number of Past Due Findings:	28	6



In the above, ratings consideration is also given to the number of retargeted observations with a rating reduction for every 2% of action plan dates retargeted for the first time in this period.

Rating	Opening balance (as of December 31, 2019)	Additions in the year	Expected to be closed by Dec 31, 2020	Validated as closed by IA	Accepted risk (No validation)	Open at end of period (A+B-D-E)	Open – on track	Open & delayed
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
Significant	9	0	7	3	0	6		6
High	1	0	1	0	0	1		1
Moderate	14	3	9	2	0	15	3	12
Low	6	5	7	4	0	7		7
Not Rated*	0	11	7	5	0	6	4	2
Total	30	19	31	14	0	35	7	28

Scope Period: January 1, 2020 through December 31, 2020

Approach: For validating management action plan, the activities undertaken by internal audit included:

- Requesting status updates and contact information from management;
- Testing/validating evidence of management's resolution/disposition of the original finding for items expected to be closed and/or indicated as closed by management;
- Preparing a report on the outcomes of the management action plan internal audit activity.

Conclusion: In the period, in total, 45% of findings that were expected to close in the period were closed.

- *Closed as planned:* There were 31 management action plans due to be implemented by December 31, 2020, or from prior periods, of which 14 were closed with a closure score of 45%
- *Closed in advance:* There were no management action plans closed ahead of schedule.
- *Additions:* 19 management action plans were added during the period.
- *Retargeted Items:* As of Dec 31, 2020, 28 action plans are open and delayed of which 16 were retargeted for the first time in this period.

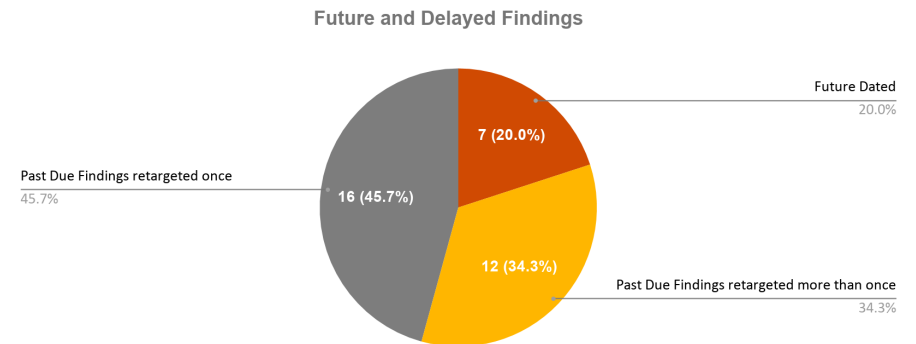
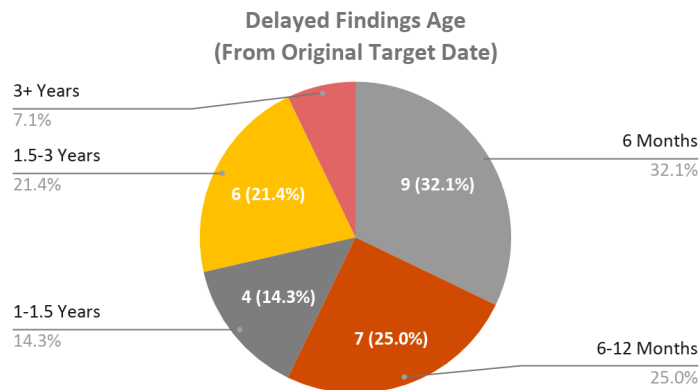
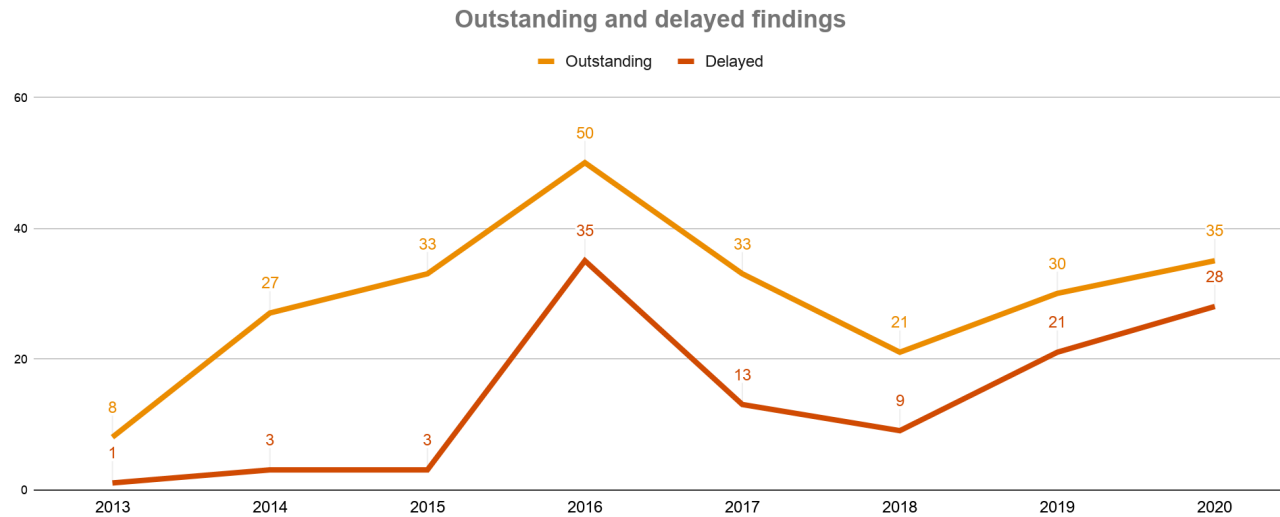
The overall trend for the year ending December 2020 has been classified as “Not Controlled” with an overall score of 13%. The major cause of these delays, nine findings out of 28 retargeted (32%), is a result of management having to deal with the pandemic at the same time as many of these findings were due.

The past year has been a unique and challenging year for society, business and government. In the face of this pandemic, management was able to progress and close 14 of the intended 31 action plans originally expected in the period. However, it is important to also note that the majority (28 out of 35 or 80%) of the prior internal control findings are past due (Open & Delayed). Of these 21 Open & Delayed findings relate directly to City departments (60% of open City department findings) and all 7 open Agencies, Boards and Commissions findings.

While it is important to consider the fact that management made progress in resolving half of these issues that were previously open it is also important that management and City Council understand that risk exposures remain until known gaps are mitigated. For the Open & Delayed findings 46% (13 of 28) have been a known exposure for at least 2 years. Many (61%) of the Open & Delayed findings are not anticipated to be resolved for an additional 12 months - increasing their overall aging.

Given the state of the world, the pandemic situation, and local initiatives City Council and Management should ensure that the timely resolution of open actions is considered, prioritized and the risk understood amidst the City’s other initiatives and operational requirements.

2. Open and delayed trends as at December 31, 2020



3. Action plan status by internal audit

Internal Audit	Opening December 31, 2019	Additions in the period	Expected closed	Closed by IA	Accepted risk	Open at December 31, 2020	Open – on track	Open & delayed
City-Based Audits	(A)	(B)	(C)	(D)	(E)	(F= A+B-D-E)	(G)	(H)
Hotline COI	0	3	1	1	0	2	2	0
Complaint Investigation	0	2	2	1	0	1	0	1
Subtotal	0	5	3	2	0	3	2	1
Service Provider	1	0	1	0	0	1	0	1
Fire Rescue Compliance (FRC)	1	0	1	0	0	1	0	1
Managing Transition of Projects into Operations	4	0	0	0	0	4	0	4
Facilities Operations	6	0	0	0	0	6	0	6
Social Media Strategy Assessment	3	0	2	1	0	2	0	2
CHC Asset Management Housing Portfolio	2	0	2	2	0	0	0	0
Cyber Incident Response Assessment	4	0	3	1	0	3	1	2
Planning and Development	0	2	2	0	0	2	0	2
Purchased Winter Services	0	3	3	3	0	0	0	0
Security Incident prevention and mitigation	0	4	2	0	0	4	2	2
Fraud Risk Mitigation review	0	4	3	3	0	1	1	0
Reopening of workplace	0	1	0	0	0	1	1	0
Subtotal	21	19	22	12	0	28	7	21

Internal Audit	Opening December 31, 2019	Additions in the period	Expected closed	Closed by IA	Accepted Risk	Open at December 31, 2020	Open – on track	Open & delayed
ABC-Based Audits								
WDTC	1	0	1	0	0	1	0	1
Solid Waste	1	0	1	0	0	1	0	1
Roseland	3	0	3	2	0	1	0	1
Your Quick Gateway (YQG)	4	0	4	0	0	4	0	4
Subtotal	9	0	9	2	0	7	0	7
Total	30	19	31	14	0	35	7	28

4. Retargeted management action plans during the period

The following findings were re-targeted by management this year during the management action plan validation process. Management had intended to carry out the action plan by the original due date; however, they were unable to do so for reasons included in the "Rationale" column below for each individual finding. Internal Audit has requested that management provide a retargeted due date in order for us to follow up with them when we next perform findings follow up.

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
1	*WDTC	51 – Strategic plan not documented	Original due date	December 31, 2016	Chief Executive Officer	<p>Background: Action arose during the review of management's reporting of its operational and capital budgets to the Board of Directors. It was noted that there was no documentation of a broader Board directed and approved strategic plan. It was also noted that there is no process currently in place for a periodic review of strategic plans. There were a total of seven open findings for WDTC out of which one that pertains to the strategic plan has been retargeted to Q4 2020, however remaining six findings have been classified as "Validation Not Required" as those finding pertained to the JoA that has been terminated.</p> <p>Reason for delay: In 2020, WDBL shifted its primary focus to maintaining its viability of operations during the ongoing border restrictions and implementing various initiatives to get through the crisis created by the pandemic (specifically an 84% decline in traffic volumes).</p> <p>Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic.</p> <p>The Board already had an initial Strategic Planning Session and Administration's initial focus has been on operationalizing WDBL's Business Plan. More time is required to document the plan and get board approval.</p>
			Retarget date	December 31, 2021		
			# of Retargets	5		
			Days since Identification	5 years 7 months		
			Days past original due date	4 years		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
2	Solid Waste	101 - Agreement Between the City of Windsor and EWSWA	Original due date	June 30, 2016	City of Windsor Chief Administrative Officer	<p>Background: On review of the agreement between the County of Essex and the City of Windsor, Internal Audit noted that here is no formal agreement between the two parties outlining responsibility, ownership and cost allocations, etc.</p> <p>Reason for delay: There have been some delays on the County agreement due to prioritization of efforts and issues being faced during the ongoing pandemic. There haven't been any critical issues that have arisen relative to the current agreement, or are expected to arise in the short term, that would warrant shifting available resources from pandemic management efforts.</p> <p>Additionally, this agreement requires an in-person meeting between parties for the same to be finalized.</p> <p>Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic.</p> <p>Management has agreed to contact their joint venture partner, the County of Essex, to see if they are willing to undertake a review of the agreement. City of Windsor Administration has proceeded with review meetings with the County and most of the clauses appear to have been agreed to; however, there are some contentious clauses that need to be accepted and finalized. Though a number of meetings have taken place with the County and EWSWA and a revised document is close to being finalized for submission to the respective Councils, work on this matter has been postponed due to higher priorities during the COVID-19 crisis. It is expected that it can be finalized relatively quickly but the actual date will depend on the length of the emergency situation.</p>
			Retarget date	June 30, 2021		
			# of Retargets	5		
			Days since identification	5 years 1 month		
			Days past original due date	4 years 5 months		
3	Service Provider and Outsourced Services Governance and Management	159- Monitoring of Supplier Issues and Risks	Original due date	June 30, 2018	Purchasing Department	<p>Background: This observation arose on review of the samples, highlighting that the required Vendor Management System ("VMS") supplier assessment used to track supplier risks, issues and performance feedback was not available. Noted that in the majority of the contracts sampled, the departments had not formally documented the identification, tracking, and closing of the key supplier risks and issues.</p> <p>Management agreed to the importance of the Vendor Management System ("VMS") and the ability of the City to evaluate the performance of the supplier. Management has developed a procedure around the use of the VMS in accordance with the Purchasing By-Law 93-2012.</p>
			Retarget date	March 31, 2021		
			# of retargets	2		
			Days since identification	3 years 5 months		
			Days past original due date	2 year 5 months		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						<p>Reason for delay: There have been delays caused due to the pandemic. The procedure around the use of VMS has been prepared in accordance with the Purchasing by Laws and will be presented to the Council in Q1 2021.</p> <p>Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic.</p> <p>The council report is in draft form and the policy and procedures are complete. Management has indicated that given the COVID-19 pandemic, timelines may be delayed further.</p>
4	Roseland Golf & Curling Club	165 - Document a reporting and services agreement between the City & RGCC	Original due date	June 30, 2018	CFO/City Treasurer City of Windsor	<p>Background: Internal Audit notes that there is no documented reporting agreement between Roseland Golf & Curling Club and the City of Windsor. Roseland Management will develop a comprehensive list of services provided to Roseland from the City of Windsor, develop a comprehensive procedure for reporting, and prepare a document outlining the reporting procedure. The initial reporting and service agreement between City and Roseland are subject to revisions that have not been completed and approved by the Board</p> <p>Reason for delay: The service agreement is still being updated. The Roseland Strategic Plan and Policy Manual have been prepared, however the service level agreement is pending approval from Council.</p> <p>Basis for viability of reforecasted date: Based on current circumstances, the Q3 retarget date is viable.</p>
			Retarget date	September 30, 2021		
			# of Retargets	3		
			Days since Identification	3 years 3 months		
			Days past original due date	2 year 5 months		
5	Fire Rescue Services (FRC)	200 - Enhance annual training planning and documentation for monitoring	Original due date	June 30, 2020	Fire Chief Chief Training Officer	<p>Background: Internal Audit noted that the training plan did not take into consideration the availability of key personnel and is not designed collectively for recruit, annual and Human resource training requirements.</p> <p>It was also noted that the training progress is not being monitored effectively; the division is currently using three unintegrated tools/methods for training record keeping and tracking including manual paper based documentation, Learning Management System (LMS) and CRISIS System.</p> <p>Reason for delay: Due to some personnel changes and the Incident Commanding Officer project being behind schedule this finding will require additional time to get completed. This finding has been retargeted to Q4 2021.</p> <p>Basis for viability of reforecasted date: Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since Identification	2 years 5 months		
			Days past original due date	184 days		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
6	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	205 - Enhance purchasing policy and document inventory and asset management procedures	Original due date	June 30, 2019	Director of Operations	<p>Background: This finding arose as (i) key elements that were not present in YQG's purchasing policy, (ii) other process/procedure elements that appear to be known but not formalized and (iii) requirements/ constraints on the personal use of YQG small tools were not formally defined. Management has indicated that the practice of permitting employees to borrow company tools for personal reasons has been discontinued.</p> <p>Management has indicated that a new CEO has assumed the role on January 13, 2020. Hence additional time is required to complete this action plan due to the restructuring of roles.</p> <p>Reason for delay: Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.</p> <p>Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	2		
			Days since identification	2 years 6 months		
			Days past original due date	1 year 6 months		
7	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	206 - Review and document current inventory/asset management systems and processes	Original due date	March 31, 2019	Director of Operations	<p>Background: This finding highlighted the issues around following three control elements:</p> <p>Asset inspection plans for vehicles and equipment do not have a defined plan/ schedule or triggers.</p> <p>Inventory monitoring/reconciliation controls are not formalized or evidenced.</p> <p>Central inventory listing is not maintained.</p> <p>Management agreed to create an asset tracking system for significant supplies, equipment and small tool inventories for presentation to the YQG Board</p> <p>Management has indicated that a new CEO has resumed the role on January 13, 2020. Hence additional time is required to complete this action plan due to the restructuring of roles.</p> <p>Reason for delay: Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.</p>
			Retarget date	December 31, 2021		
			# of Retargets	2		
			Days since identification	2 years 6 months		
			Days past original due date	1 year 6 months		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic. Based on current circumstances, the Q4 retarget date is viable.
8	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	207 - Enhance key vendor management controls	Original due date	December 31, 2018	Director of Finance	Background: Management has developed a new Purchasing Policy that includes segregation of duties and other vendor management controls (purchasing controls). Reason for delay: Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021. Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic. Management will be presenting the new Purchasing Policy to the Board before the end of Q2 2020 for discussion and approval.
			Retarget date	December 31, 2021		
			# of Retargets	3		
			Days since identification	2 years 6 months		
			Days past original due date	2 years		
9	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	209 - Enhance compensating controls to address potential segregation of duties	Original due date	December 31, 2018	Director of Finance	Background: Management has developed a new Purchasing Policy that includes segregation of duties and other vendor management controls (purchasing controls). Reason for delay: Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021. Basis for viability of reforecasted date: The original viability still holds true but has been pushed out 1 year down due to Pandemic. Management will be presenting the new Purchasing Policy to the Board before the end of Q2 2020 for discussion and approval.
			Retarget date	December 31, 2021		
			# of Retargets	3		
			Days since identification	2 years 6 months		
			Days past original due date	2 years		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
10	Social Media Strategy Assessment	226- Define and implement strategy evaluation and Performance reporting processes	Original due date	December 31, 2020	Senior Manager Communications & Customer Service	<p>Background: On review of social media strategy evaluation, Internal audit noted that metrics and structured mechanisms to monitor and evaluate the effectiveness and impact of social media have not been formally established by setting goals/targets and key performance indicators (KPIs).</p> <p>Metrics such as social media page views, number of posts (photos/text/videos) updated and respective post likes, views and engagements, and other relevant highlights regarding social media activities are identified through individual social media account trend analysis. The results from such trending are compiled and presented in the Municipal Accomplishment Report; however, periodic analysis of individual accounts is not performed to assess and evaluate current performance/achievements to take timely/necessary action. There are no recurring reporting mechanisms of KPIs and achievements against objectives/targets.</p> <p>Reason for delay: The recommendation to Council for the requirement of a new staff to coordinate social media activities has not been approved, hence additional time is required for Management to upgrade Hootsuite and prepare a formal plan.</p> <p>Basis for viability of reforecasted date:c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since Identification	1 year 11 months		
			Days past original due date	0 day		
11	Cyber Incident Response Assessment	239 - Formalize Incident Management Plan and Procedures	Original due date	December 31, 2020	CIO & ED IT	<p>Background: During review, Internal Audit noted that a formally documented and reviewed Incident Management plan is not in place. Additionally no formal playbooks are being used to guide actions taken during incidents.</p> <p>Reason for delay:This finding has been delayed due to the effects of the global pandemic and is expected to be completed by Q4 2021.</p> <p>Basis for viability of reforecasted date:c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since identification	1 year 2 months		
			Days past original due date	0 day		

* The retarget dates of the marked items were extended considering the COVID-19 impact which required additional time for management to implement the action plans

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
12	Cyber Incident Response Assessment	240 - Enhance Security Information and Event Management	Original due date	December 31, 2020	CIO & ED IT	<p>Background: During review of Endpoint, network and server monitoring, Internal Audit noted that although logs are generated from these tools, the link of information between monitoring tools and event management tool is not fully developed. The SEIM solution and monitoring logs are not fully integrated.</p> <p>Reason for Delay: There has been a request for proposal for a managed security service to cater to this finding, hence once the security service has been approved and finalised, this finding can be closed.</p> <p>Basis for viability of reforecasted date: c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	March 31, 2022		
			# of Retargets	1		
			Days since identification	1 year 2 months		
			Days past original due date	0 day		
13	Planning and Development	243 - Develop Working Procedures for Planning and Development Application Processing	Original due date	September 30, 2020	City Planner, Manager of Urban Design and Manager of Planning Policy	<p>Background: During review Internal Audit noted that the Planning Department has working procedures for Site Plan Control applications, however there are no working procedures/guidelines established for reference to staff for the other applications.</p> <p>Reason for Delay: There have been a number of policy and legislative changes that were introduced by the Ontario Provincial government including Bill 108, Bill 138 and a new Provincial Policy Statement that came into effect on May 1, 2020. Since all these documents have a significant impact on the Planning procedures, additional time is required to complete this finding.</p> <p>Basis for viability of reforecasted date: c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since Identification	1 year 1 months		
			Days past Original due date	92 days		
14	Planning and Development	244 - Review and Prioritize Action Plan Implementation of 2014 Business Process Review Findings	Original due date	December 31, 2020	City Planner, Chief Building Official, Manager of Urban Design and Manager of Planning Policy	<p>Background: On review it was noted that a significant number of findings/improvements noted in the "2014 Property Development Approval Service Review" were expected to be addressed via the planned Evolve Project Implementation. Management has not formally assigned a prioritisation framework/criteria to the findings nor performed periodic reporting with respect to the action plan status of those findings.</p> <p>Reason for Delay: There have been a number of policy and legislative changes that were introduced by the Ontario Provincial government including Bill 108, Bill 138 and a new Provincial Policy Statement that came into effect on May 1, 2020. Since all these documents have a significant impact on the Planning procedures, additional time is required to complete this finding.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since identification	1 year 1 months		
			Days past original due date	0 day		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						<p>The current Evolta Project is looking at how many of these processes can be shifted to a digital platform. The Evolta project has been delayed as a result of COVID 19. Collectively, these changes will require additional time to document these changes as part of this finding.</p> <p>Basis for viability of reforecasted date: c. Based on current circumstances, the Q4 retarget date is viable</p>
15	Complaint Investigation Report - Lancaster Plane	247 - Ensure contract compliance by retention of relevant documentation	Original due date	December 31, 2020	Director of Finance, YQG	<p>Background: On review it was noted that the final extension of the lease term expired on Dec 31, 2019 and there was no evidence of the same being renewed.</p> <p>Reason for Delay: Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This is expected to be completed by Q4 2021.</p> <p>Basis for viability of reforecasted date: c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of retargets	1		
			Days since identification	328 days		
			Days past original due date	0 day		
16	Security Incident prevention and mitigation	253 - Reported in the confidential package	Original due date	December 31, 2020	Senior Manager, Facilities	<p>Background: Private & Confidential</p> <p>Reason for Delay: Council did not approve the establishment of a corporate security division, but rather opted to defer any decisions pending additional information. A follow-up report will be provided to Council that will recommend a single position to lead the charge to develop common corporate security procedures and be the central resource for security matters.</p> <p>Basis for viability of reforecasted date: c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since identification	248 days		
			Days past original due date	0 day		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
17	Security Incident prevention and mitigation	254 - Enhance protocols for managing and documenting dynamic security plans	Original due date	December 31, 2020	Senior Manager, Facilities	<p>Background: On review of the resource/security planning process, Internal Audit noted that standard procedure and record of common recurring service disruptions are not maintained to document security needs, to handle ad hoc situations and to inform annual security planning and resource allocation.</p> <p>Also noted that security services contingency plans were not documented as part of vendor risk analysis.</p> <p>Reason for Delay: Council did not approve the establishment of a corporate security division, but rather opted to defer any decisions pending additional information. A follow-up report will be provided to Council that will recommend a single position to lead the charge to develop common corporate security procedures and be the central resource for security matters.</p> <p>Basis for viability of reforecasted date:c. Based on current circumstances, the Q4 retarget date is viable.</p>
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since identification	248 days		
			Days past original due date	0 day		

5. Risk acceptance

5.1 Formal risk acceptance

No findings noted in this year

5.2 Implied short term risk acceptance

This section indicates those findings for which management is implicitly accepting the risk of not having the control in the short run (from the point of identification until the planned resolution). All findings that are open for more than 1.5 years from the date of the report have been listed under this section as follows:

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
1	WDTC	51 – Strategic plan not documented	Original due date	December 31, 2016	Chief Executive Officer	In 2020, WDBL's shifted its primary focus to maintaining its viability of operations during the ongoing border restrictions and implementing various initiatives to get through the crisis created by the pandemic (specifically an 84% decline in traffic volumes).
			Retarget date	December 31, 2021		
			# of Retargets	5		
			Days since identification	5 years 7 months		
			Days past original due date	4 years		
2	Solid Waste	101 - Agreement Between the City of Windsor and EWSWA	Original due date	June 30, 2016	City of Windsor Chief Administrative Officer	There have been some delays on the County agreement due to prioritization of efforts and issues being faced during the ongoing pandemic. There haven't been any critical issues that have arisen relative to the current agreement, or are expected to arise in the short term, that would warrant shifting available resources from pandemic management efforts. Additionally, this agreement requires an in-person meeting between parties for the same to be finalized.
			Retarget date	June 30, 2021		
			# of Retargets	5		
			Days since identification	5 years 1 month		
			Days past original due date	4 years 5 months		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
3	Service Provider and Outsourced Services Governance and Management	159- Monitoring of Supplier Issues and Risks	Original due date	June 30, 2018	Purchasing Department	There have been delays caused due to the pandemic. The procedure around the use of VMS has been prepared in accordance with the Purchasing by Laws and will be presented to the Council in Q1 2021.
			Retarget date	March 31, 2021		
			# of Retargets	2		
			Days since identification	3 years 5 months		
			Days past original due date	2 year 5 months		
4	Roseland Golf & Curling Club	165 - Document a reporting and services agreement between the City & RGCC	Original due date	June 30, 2018	CFO/City Treasurer City of Windsor	The service agreement is still being updated. The Roseland Strategic Plan and Policy Manual have been prepared, however the service level agreement is pending approval from Council.
			Retarget date	September 30, 2021		
			# of Retargets	3		
			Days since identification	3 years 3 months		
			Days past original due date	2 year 5 months		
5	Fire Rescue Services (FRC)	200 - Enhance annual training planning and documentation for monitoring	Original due date	June 30, 2020	Fire Chief Chief Training Officer	Due to some personnel changes and the ICO project being behind schedule this finding will require additional time to get completed. This finding has been retargeted to Q4 2021.
			Retarget date	December 31, 2021		
			# of Retargets	1		
			Days since identification	2 years 5 months		
			Days past original due date	184 days		

#	Audit Report	Observation # and name	Retargets		Executive approval from	Rationale
6	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	205- Enhance purchasing policy and document inventory and asset management procedures	Original due date	June 30, 2019	Director of Operations	Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.
			Retarget date	December 31, 2021		
			# of Retargets	2		
			Days since identification	2 years 6 months		
			Days past original due date	1 year 6 months		
7	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	206- Review and document current inventory/asset management systems and processes	Original due date	March 31, 2019	Director of Operations	Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.
			Retarget date	December 31, 2021		
			# of Retargets	2		
			Days since identification	2 years 6 months		
			Days past original due date	1 year 6 months		
8	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	207 - Enhance key vendor management controls	Original due date	December 31, 2018	Director of Finance	Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.
			Retarget date	December 31, 2021		
			# of Retargets	3		
			Days since identification	2 years 6 months		
			Days past original due date	2 years		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
9	Your Quick Gateway (YQG) - Managing Inventory, Repairs and Maintenance	209 - Enhance compensating controls to address potential segregation of duties	Original Due Date	December 31, 2018	Director of Finance	Due to the covid implications and overall impact to the air sector and still vacant Director of Finance position, management will require additional time to complete this finding. This has been retargeted to Q4 2021.
			Retarget Date	December 31, 2021		
			# of Retargets	3		
			Days since Identification	2 years 6 months		
			Days past Original Due Date	2 years		
10	Social Media Strategy Assessment	226- Define and implement strategy evaluation and Performance reporting processes	Original Due Date	Dec 31, 2020	Senior Manager Communications & Customer Service	The recommendation to Council for the requirement of a new staff to coordinate social media activities has not been approved, hence additional time is required for Management to upgrade Hootsuite and prepare a formal plan.
			Retarget Date	Dec 31, 2021		
			# of Retargets	1		
			Days since Identification	1 year 11 months		
			Days past Original Due Date	0 day		

6. Previously retargeted management plans

The following findings were re-targeted by management in past periods during the findings follow up process. Management had intended to carry out the action plan by the original due date, however were unable to do so for reasons included in the "Rationale" column below for each individual finding. Internal Audit has requested that management provide a retargeted due date in order for us to follow up with them when we next perform findings follow up.

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
1	Managing Transition of Projects into Operations	211- Enhance project classification and expectation guidelines	Original due date	Sep 30, 2019	Executive Initiatives Coordinator, Office of the CAO	<p>Background:In a review of the policies, procedures, templates and samples projects, it was noted (a) that project classification requires significant interpretation; and (b) that project management methodologies allow for alternatives but do not include minimum expectations.</p> <p>Reason for Delay: Lack of resources available to carry out the tasks.The Executive Initiatives Coordinator (EIC) in the CAO's Office has been seconded to the WFM project. This position has not been backfilled and therefore all projects, responsibilities, and duties have been put on hold until its return to the EIC position, the date of which is unknown at this time.</p> <p>Basis for viability of reforecasted: The resources for this project are not expected to be available until late 2020/early 2021. From that point they will be required to undertake the management action plan in time to meet the revised date They have capacity set aside at that future time for this work.</p>
			Retarget date	Dec 31, 2022		
			# of Retargets	2		
			Days since identification	2 year 2 months		
			Days past original due date	1 year 2 months		
2	Managing Transition of Projects into Operations	212- Enhance considerations for project risk assessments	Original due date	Sep 30, 2019	Executive Initiatives Coordinator, Office of the CAO	<p>Background:A common process and template for risk management is not shared across the projects. Specific project demands/needs for central functions such as Communications, IT and Human Resources are not consistently considered during project planning to understand/assess potential risks to resource capability and capacity. Management agreed to include the requirement for risk assessments to be monitored and updated in Schedule C of the PMMP.</p> <p>Reason for Delay: Lack of resources available to carry out the tasks.The Executive Initiatives Coordinator (EIC) in the CAO's Office has been seconded to the WFM project. This position has not been backfilled and therefore all projects, responsibilities, and duties have been put on hold until its return to the EIC position, the date of which is unknown at this time.</p>
			Retarget date	Dec 31, 2022		
			# of Retargets	2		
			Days since identification	2 year 2 months		
			Days past original due date	1 year 2 months		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						Basis for viability of reforecasted: The resources for this project are not expected to be available until date. From that point they will be required to undertake the management action plan in time to meet the revised date They have capacity set aside at that future time for this work
3	Managing Transition of Projects into Operations	213- Formalize detailed Project Implementation Plan which includes Change Management/Transition Plans	Original due date	Sep 30, 2019	Executive Initiatives Coordinator, Office of the CAO	<p>Background: IA noted that a project implementation plan to support the Project Managers in project transition (transition plan and critical path) is not a formal deliverable required for projects to account for multiple factors, including (but not limited to):</p> <ul style="list-style-type: none"> • knowledge transfer activities; • stakeholder feedback processes; • pre- and post- go live transition activities; and • site readiness pre-go live and post-go live (performing a dry run). <p>Management agreed to develop a project implementation plan template, and added it as a required deliverable for major projects. They also agreed to conduct a cost benefit analysis on requiring some elements of the project implementation plan for medium projects.</p> <p>Reason for Delay: Lack of resources available to carry out the tasks. The Executive Initiatives Coordinator (EIC) in the CAO's Office has been seconded to the WFM project. This position has not been backfilled and therefore all projects, responsibilities, and duties have been put on hold until its return to the EIC position, the date of which is unknown at this time.</p> <p>Basis for viability of reforecasted: The resources for this project are not expected to be available until date. From that point they will be required to undertake the management action plan in time to meet the revised date They have capacity set aside at that future time for this work.</p>
			Retarget date	Dec 31, 2022		
			# of Retargets	2		
			Days since identification	2 year 2 months		
			Days past original due date	1 year 2 months		
4	Managing Transition of Projects into Operations	214- Enhance approach to pre/post go-live feedback collection and aggregation	Original due date	Sep 30, 2019	Executive Initiatives Coordinator, Office of the CAO	<p>Background: It was identified that the requirement of projects to solicit pre- and post- go-live feedback from internal/external stakeholders prior to official project 'closure' is not in place. In addition, the project closure timelines/expectations are not clearly defined. The Executive Initiatives Coordinator agreed to develop a document (or webpage section) that outlines common and various methods of soliciting pre and post go-live feedback including the guidelines for implementing, measuring and monitoring expectations and success.</p>
			Retarget date	Dec 31, 2022		
			# of Retargets	2		
			Days since identification	2 year 2 months		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
			Days past original due date	1 year 2 months		<p>Further, would also develop a formal process for determining feedback solicitation required for a project, considering the cost-benefit proposition for different types of projects</p> <p>Reason for Delay: Lack of resources available to carry out the tasks. The Executive Initiatives Coordinator (EIC) in the CAO's Office has been seconded to the WFM project. This position has not been backfilled and therefore all projects, responsibilities, and duties have been put on hold until its return to the EIC position, the date of which is unknown at this time.</p> <p>Basis for viability of reforecasted: The resources for this project are not expected to be available until date. From that point they will be required to undertake the management action plan in time to meet the revised date. They have capacity set aside at that future time for this work.</p>
5	*Facilities Operations	218-Define service standards and metrics to evaluate performance	Original due date	Dec 31, 2019	Manager Assets and Projects and Manager, Facility Operations	<p>The current staffing master plan recommends restructuring solely based on size of the portfolio (measured in square footage) and does not consider other elements such as minimum service level expectations, administrative processes, volume of projects and nature of work (recoverable/low priority work).</p> <p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date</p> <p>Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
6	*Facilities Operations	219- Enhance Bi-weekly Management Discussions	Original due date	Dec 31, 2019	Manager, Assets & Projects & Manager, Facility Operations	<p>Background: Internal Audit noted that key workforce metrics (i.e. staff utilization) and commitments on special projects are not formally monitored. Further, tracking, review and coordination of recoverable work is not performed and discussed in management meetings. Management is in agreement that recoverable work orders should be tracked and reviewed. Management will analyze and document the recoverable work process, including how recoverable work will be reviewed.</p> <p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date.</p> <p>Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		
7	*Facilities Operations	220- Define clear 'documentation' standard and develop standard forms/templates	Original due date	Dec 31, 2019	Manager, Assets & Projects and Manager, Facility Operations	<p>Background: In review of work order management processes the following were identified:</p> <ul style="list-style-type: none"> Standard processes/forms/checklists have not been devised and implemented to record management discussions/decisions Inconsistency in how staff completed/documented the status of a work order. Further, training schedules, status/completion by staff, and training materials are not centrally tracked and maintained. <p>Management concurs to develop a formal template of criteria for pursuing/not pursuing capital work. In addition, develop standard documentation procedures to ensure data entry is consistent & a central repository for training material and records.</p> <p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.
8	*Facilities Operations	221- Conduct division wide periodic Work Order Aging Analysis	Original due date	Dec 31, 2019	Manager, Assets & Projects and Manager, Facility Operations	<p>Background:Open work orders are identified and reviewed individually by each supervisor based on staff assignment; however, division-wide periodic work order aging analysis is not conducted to identify trends, aging and/or balance of work. Further, reviews performed are not accompanied by discussions with other supervisors and/or managers to improve and measure the age of work orders and to determine the over-/under-utilisation of supervisors and staff</p> <p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date</p> <p>Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		
9	*Facilities Operations	222- Design and implement Customer Satisfaction Survey	Original due date	Dec 31, 2019	Sr. Manager of Facilities	<p>Background: This finding arose on identification of Satisfaction surveys/feedback solicitation not being conducted to monitor satisfaction levels or to obtain feedback from users/customers on a) overall feedback for improving interactions and core activities and b) feedback specific to work requested/completed. There is an internal process requiring that internal services solicit internal feedback which results in non-compliance with an internal policy. Management agreed to conduct a customer satisfaction survey in coordination with the corporate Communications and Customer Service division. The survey will be sent to internal staff and include questions related to satisfaction with response time and performance.</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		

#	Audit report	Observation # and name	Retargets		Executive approval from	Rationale
						<p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date</p> <p>Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.</p>
10	*Facilities Operations	223- Track Conditions, Standard Ratings and building condition assessments periodically	Original due date	Dec 31, 2019	Sr. Manager of Facilities	<p>Background:This finding arose on identification of properties that did not undergo an internal or external building condition inspection during the scope period.It was further noted that tracking of condition ratings is currently not performed and is paper based/manual.</p> <p>Reason for Delay: There were 3 key personnel who were required to run daily operations and address the management action plan, however one resigned and another was on unplanned leave. As a result resources were not available to address the issues. The lack of resources, compounded by the COVID-19 pandemic in the first and second quarter of 2020, required a retarget of the due date</p> <p>Basis for viability of reforecasted: Management personnel positions were available in 2020; however, all focus shifted to providing essential services during the COVID-19 pandemic. If the pandemic concludes by the end of the third quarter of 2020, resources will be assigned to meet the revised target date.</p>
			Retarget date	June 30, 2021		
			# of Retargets	1		
			Days since identification	1 year 11 months		
			Days past original due date	1 year		
11	Social Media Strategy Assessment	229- Document key content management procedures /checklists and review/update key account level roles/responsibilities.	Original Due Date	Dec 31, 2019	Senior Manager Communications & Customer Service	<p>Background:Currently the role for preparer, reviewer and approver of content/posts is segregated, however, such protocol is not defined (in a procedural document) at account level or on basis of severity of the post. Content management process flow/diagram is not documented for key social media activities, its dependencies on departments or required controls (IT and Business Process. Further, Incidents are not defined and no formal criteria/severity levels exist to guide the appropriate level of action (parameters such as: timing, content, sharing/release, etc.) for escalating incidents; and written approval is not a requirement for responding to inappropriate posts/comments. It is also not clear whether the terms of use/service level statements available to followers also apply to internal staff.</p>
			Retarget Date	Mar 31, 2021		
			# of Retargets	1		
			Days since Identification	1 year 11 months		
			Days past Original Due Date	1 year		

#	Audit report	Observation # and name	Retargets	Executive approval from	Rationale
					<p>Reason for Delay: IA noted that the addition of the Digital Media Coordinator position submitted to the City Council was not approved at the recent 2020 budget session, hence existing Communications staff will be assigned the respective duties. In order to do this, management needs additional time to reprioritize existing tasks assigned to staff.</p> <p>Basis for viability of reforecasted: The specific recommendations outlined by PwC as needing attention are achievable with the current staff compliment if time permits. Having said that, due to COVID-19's interruption, guaranteeing the timeline is difficult. However, as the changes recommended are positive but not vital to the operation of the City of Windsor's social media channels, the target date for completion is best left in place as viable but with the understanding that reassessment along the way could become necessary.</p>

Appendix A: Findings closed in the period

The closure summaries/details for each closed findings are published in the management report presented to the Council.

#	Audit report	Observation # and name	Finding owner
1	Roseland Golf and Curling Club	166- Define and document strategic plan.	Roseland General Manager Roseland Board of Directors
2	Roseland Golf and Curling Club	167 - Update policy manual to address organization specific needs	Roseland General Manager Roseland Assistant General Manager Roseland Golf Professional.
3	Social Media Strategy Assessment	225 - Enhance formal oversight controls over SM policies / procedures and governance.	Senior Manager Communications & Customer Service
4	CHC - Asset Management Housing Portfolio Internal Audit Report	235 - Develop Strategic Asset Management Plan (SAMP) and establish clear accountability for achieving asset management goals	Chief Development and Regeneration Officer
5	CHC - Asset Management Housing Portfolio Internal Audit Report	236 - Document procedures regarding steps involved in adopting/revising an organization wide FCI.	Director of Asset Management
6	Cyber Incident Response Assessment	242- Formalize Incident Response Tabletop Exercises.	Chief Information Officer Executive Director of IT
7	Hotline Investigation Report - NTS-003-SEP-2019	245- Consideration to make appropriate disclosure to citizens should be given.	Coordinator, Right of Way & Field Services
8	Complaint Investigation Report - Lancaster Plane	246 - Document formal agreement for restoration arrangement with CHAA.	Executive Director of Recreation and Culture
9	VFM - Purchased services - Winter road clearing	248 - Establish control to independently review the payment certificate calculation template.	Contract Coordinator
10	VFM - Purchased services - Winter road clearing	249 - Leverage existing real time GPS records to improve vendor performance monitoring.	Maintenance Coordinator
11	VFM - Purchased services - Winter road clearing	250 - Formally amend contract terms to minimize risk of potential contract dispute.	Contract Coordinator
12	Fraud Risk Mitigation Review	257 - Conduct independent spot checks of positive pay exceptions to ensure the preventative controls operate as intended given the nature of access privileges and approval evidence.	Deputy Treasurer of Financial Accounting

#	Audit report	Observation # and name	Finding owner
13	Fraud Risk Mitigation Review	258 - Explore automating repeatable task elements (RPA - robotic process automation) related to AP query and payment release activities to improve efficiency.	Deputy Treasurer of Financial Accounting
14	Fraud Risk Mitigation Review	259 - Enhance fraud investigation minimum guidelines and summary adherence therewith for individual investigation efforts.	Deputy Treasurer of Financial Accounting

Appendix B: Basis of our classifications

Findings follow up rating scale

Overall and auditable entity ratings are based on (1) the completion of planned management action plans and (2) the volume of retargets for individual observations.

Impact rating	Assessment rationale
Strong	100% of the audit recommendations due to be implemented in the current quarter were completed.
Well controlled	70% - 99% of the audit recommendations due to be implemented in the current quarter were complete.
Opportunity exists to improve implementation rates	50% - 69% of the audit recommendations due to be implemented in the current quarter were completed.
Not controlled	Less than 50% of the audit recommendations due to be implemented in the current quarter were completed.

In the above ratings consideration is also given to the number of retargeted observations with a rating reduction for every 2% of action plan dates retargeted more than once.



PwC | The Corporation of the City of Windsor - Management Action Plans Validation Report Jan 1, 2020 - Dec 31, 2020

This report is confidential and is intended solely for use by the management of The City of Windsor, and is not intended or authorized for any other use or party. If any unauthorized party obtains this report, such party agrees that any use of the report, in whole or in part, is their sole responsibility and at their sole and exclusive risk; that they may not rely on the report; that they do not acquire any rights as a result of such access and that PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

This is a draft prepared for discussion purposes only and should not be relied upon; the contents are subject to amendment, withdrawal and/or final conclusions and findings will be set out in our final deliverable.

Appendix G - Hotline Investigation Report - Citizen Property Concern

PwC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

This report is confidential and is intended solely for use by the management of The City of Windsor and is not intended or authorized for any other use or party. If any unauthorized party obtains this report, such party agrees that any use of the report, in whole or in part, is their sole responsibility and at their sole and exclusive risk; that they may not rely on the report; that they do not acquire any rights as a result of such access and that PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

Corporation of the City of Windsor

Hotline Investigation Report NTS - 2 - MAR - 2021 Citizen Property Concern

April 27, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Executive summary

Allegation information

A complaint was received by the Auditor General which lead to an investigation of the following allegations by Internal Audit under the direction of the Auditor General:

Allegation #1	Two properties (Property 1 and Property 2) belonged to an estate and were to be sold in a tax sale. One of these two properties (property 1) was sold as a result of tax sale however the property related correspondence for the estate owner of both properties were still being sent to the property 1 which now has a different owner.
Allegation #2	Not able to receive information on the land owner/registration for Property 2 from the City and the management advised to visit the Land Registry office to seek this information which had a fee however this information should be available at City free of cost as advised by the land registry. Also, the tax sale information regarding the Property 2 was not available/accessable.

Background

Property 1 and Property 2 belonged to an individual's estate. Property 1 had been sold as a result of tax sale in November 2019. The complainant reached out to the City and indicated they had no connection to the property other than an interest in obtaining information and data regarding the potential tax sale. The complainant noted in his complaint that the property related correspondence for both properties was being mailed to the address of Property 1 despite each property now having different owners.

Investigation approach

For the allegations noted above we developed procedures and conducted inquiry of management and carried out documentation review.

Summary of procedures and results

Allegation #1

Property related correspondence for the estate owner of both properties sent to the property which now has a different owner:

#	Procedure	Results
1.1	Understand the process for updating the mailing address for a given property related correspondence	IA inquired management regarding the process and noted that the mailing address update can be initiated by a property owner using the form which is available on the City website (link). If Administration believes that there is an issue / conflict with the mailing address on record, staff will be directed to conduct a search of MPAC's records and may also send a letter, addressed to the property owner, at an alternative address requesting the property owner to contact the City or provide confirmation of an address change. In certain situations, the Administration does have the ability to make a mailing address update without the property owner's consent or knowledge.
1.2	Documentation maintained for the mailing address update for the property in question	<p>IA inquired of management regarding the process and noted that the mailing address for Property 2 was initially changed by the property owner prior to their demise. Following the completion of the tax sale of Property 1 in November 2019, a mailing address change form was initiated by the Administration itself to return the mailing address for Property 2 to the Property 2 address.</p> <p>However, in March 2020, as a follow up procedure for returned mails for Property 2, a property clerk at the City followed procedures and conducted a search of MPAC's records. This search identified that the mailing address was Property 1. The clerk then requested this address to be used for mailing correspondence. We noted that the clerk did not complete the search procedures which also required checking the ownership of both properties prior to requesting a change/update to the mailing address and we did not detect evidence of discussion with the area manager as required in the process.</p> <p>This oversight has now been corrected and the mailing address for Property 2 is correctly stated as Property 2.</p> <p>IA obtained and inspected the following:</p>

		<ol style="list-style-type: none"> 1) the mailing address change form initiated by the Administration in November 2019; and 2) screenshot from tax system as of March 29, 2021 depicting the current mailing address for Property 2 as Property 2 address.
1.3	Inspect the manual documented to provide specific instructions regarding processing an address change	IA obtained and inspected the Municipal Tax Collection And Registration Process Procedures which documents that any changes in mailing address initiated by Administration are to be discussed with the Manager of Revenue & Collection.

Conclusion: For a period of 12 months since March 2020 the City routed mail to Property 2 incorrectly to the Property 1 address.

Although a process exists at City to discuss mailing address changes with the Manager before initiating the change, this process was not followed in this instance. We have provided a recommendation to management regarding compliance with existing procedures. Management has corrected the error and have updated the current mailing address for Property 2 as Property 2 address however, the mail is being returned again.

It is important to note that the main responsibility for ensuring the mailing address is correct resides with the property owner. The City's administrative process is in the absence of the property owner fulfilling their responsibility

Allegation #2

Not able to receive information on the land owner/registration for Property 2 and related tax sale.

#	Procedure	Results
1	Understand the process to obtain information / details about a given property by an external party	<p>IA inquired of management regarding the process to obtain property related information and noted that public property information can be accessed from the City website (link). This information includes tax assessment information and other relevant property information.</p> <p>Additionally, a tax certificate for a fee of \$75 can be made available to review the status of tax account including legal description and information pertaining to encroachments or local improvements on a given property.</p> <p>Information about the property owner may be obtained via the Land Registry department in exchange for a fee.</p>
2	Understand the process regarding providing property tax sales information to citizens	IA inquired of management regarding the tax sale process and noted that once it is determined that the City has the right to proceed a public tax sale is organized. This tax sale information is advertised on the City website for at least six weeks and is also published in the Windsor Star news.

		<p>The tax sale for the Property 2 was delayed due to COVID-19 restrictions where a public tax sale could not be organized. As informed, the Administration is currently reviewing the list of eligible properties and will proceed with the regular tax sale process as allowed while adhering to Provincial restrictions.</p>
--	--	---

Conclusion: Based on the above procedures, we understand that three options are, and have been, available to individuals seeking property information, two of which are available through the City. In addition, the tax sale information is also posted at the City website and published in local newspaper.

Recommendations

Finding	Recommendation & Action Plan
1. Maintain compliance with existing Municipal Tax Collection And Registration Process Procedures	
<p>Observation As a follow up process for returned mail, the property clerk did perform a search of MPAC's records however they failed to complete the search procedures by not checking the ownership of both properties prior to requesting a change/update to the mailing address.</p> <p>Further, as per the procedural document, such changes in mailing address were to be discussed with the Manager of Revenue & Collection. We did not detect evidence of this discussion.</p>	<p>Recommendation Management should ensure staff complies with the existing procedures and ensure any changes requested are conducted in accordance with policy and evidence/notation of discussion with the relevant manager is indicated.</p> <p>Management action plan: A change to the procedures has been made which requires any change in ownership or mailing address to be submitted along with supporting documentation for approval by the Manager of Revenue and Collections.</p> <p>Responsible party: Deputy Treasurer – Taxation, Treasury & Financial Projects</p> <p>Due date: Q2 2021</p>

Appendix A: Limitations and responsibilities

Limitations inherent to the internal auditor's work

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses, and if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

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Appendix H - Hotline Investigation Report - Sandwich South Secondary Expansion and Aboriginal Consult

PwC | The Corporation of the City of Windsor: Internal Audit Summary Report - Nov 1 2020 to April 30 2021

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Corporation of the City of Windsor

Hotline Investigation Report

NTS-03-MAY-2020 and NTS-01-DEC-2020

Sandwich South Secondary Expansion & Aboriginal Consult

March 17, 2021

Limitations and responsibilities

This report was developed in accordance with our engagement letter addendum dated January 24, 2020 and is subject to the terms and conditions included therein.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available at the time we prepared the report. Accordingly, changes in circumstances after the date of this Report could affect the findings outlined herein. We are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us. This information has been prepared solely for the use and benefit of and pursuant to a client relationship exclusively with the Corporation of the City of Windsor. PwC disclaims any responsibility to others based on its use and accordingly this information may not be relied upon by anyone other than the Corporation of the City of Windsor.



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Executive summary

Allegation information

A complaint was received via Concerned Citizen and Employee Hotline which lead to an investigation of the following allegation by Internal Audit under the oversight of the City's Auditor General:

The complainant mentioned that:

- 1) the underlying growth assumptions used in support for the approval of the Sandwich South Secondary plan were based on outdated data, and the Council's August 13, 2018 approval of this plan is not based on accurate/reliable information.
- 2) the City did not reach out to any group which directly represents First Nations people living in Windsor regarding consultation for Windsor's Official Plan. The complainant also mentioned that the City did reach out to other First Nation groups for consultation however no actual two-way communication occurred and the only notice was sent less than two hours before the end of the day of the deadline.

Investigation approach

For the allegations noted above we developed investigative procedures and carried out documentation review provided by the complainant which included reports from different consulting companies that City had hired for conducting studies to support the sandwich south secondary plan.

Summary of procedures

We carried out our internal procedures which included documentation review and corresponding directly with the complainant via email and call. We had also developed our further procedures to carry out the investigation on the alleged complaints. However, during our process of discussing the above mentioned complaints with the management, we found that the above allegations were already presented in the court of law. The summarized details are as follow:

Details in regards to the underlying growth assumptions used:

We reviewed documentation indicating that the Local Planning Appeal Tribunal (LPAT) identified that the growth assumptions represent a reasonable approach consistent with the PPS when planning for a growing city and further, that the needs analysis required by the Provincial Policy statement, 2014 (PPS) is met by the thorough study, robust peer critique and the conservative results. This initial decision was later upheld by the Ontario Superior Court of Justice (Divisional Court).

Details in regards to the Consultation with First Nations:

We reviewed documentation indicating that the Local Planning Appeal Tribunal (LPAT) found that the statutory requirements for notice were satisfied and that the efforts made by the City for consultation are sufficient. This initial decision was later upheld by the Ontario Superior Court of Justice (Divisional Court).

Conclusion:

Upon identifying and reading the legal rulings by the external legislative bodies of LPAT and Divisional Court the CCEP complaint investigations were ceased.

Appendix A: Limitations and responsibilities

Limitations inherent to the internal auditor's work

Internal control

Internal control systems, no matter how well designed and operated, are affected by inherent limitations. These include the possibility of poor judgment in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.

Future periods

Our assessment of controls is for the period specified only. Historic evaluation of effectiveness is not relevant to future periods due to the risk that:

- the design of controls may become inadequate because of changes in operating environment, law, regulation or other; or
- the degree of compliance with policies and procedures may deteriorate.

Responsibilities of management and internal auditors

It is management's responsibility to develop and maintain sound systems of risk management, internal control and governance and for the prevention and detection of irregularities and fraud. Internal audit work should not be seen as a substitute for management's responsibilities for the design and operation of these systems.

We endeavour to plan our work so that we have a reasonable expectation of detecting significant control weaknesses, and if detected, we shall carry out additional work directed towards identification of consequent fraud or other irregularities. However, internal audit procedures alone, even when carried out with due professional care, do not guarantee that fraud will be detected.

Accordingly, our examinations as internal auditors should not be relied upon solely to disclose fraud, defalcations or other irregularities which may exist.

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Council Report: C 69/2021

Subject: Windsor-Canada Utilities Ltd. – Annual General Meeting – City Wide

Reference:

Date to Council: June 7, 2021

Author: Shelby Askin Hager

City Solicitor and Corporate Leader Economic Development and Public Safety

519-255-6100 ext 6424

shager@citywindsor.ca

Legal Services, Real Estate & Risk Management

Report Date: May 18, 2021

Clerk's File #: MU2021

To: Mayor and Members of City Council

Recommendation:

- I. That Council, acting as the shareholder for Windsor Canada Utilities Ltd. ("WCUL") **APPROVE** the resolutions presented by WCUL; and,
- II. That the Mayor **BE AUTHORIZED** to execute the shareholder's resolutions on behalf of The Corporation of the City of Windsor, in accordance with Council direction, with respect to all matters presented herein by WCUL for the year 2020.

Executive Summary:

N/A

Background:

WCUL is the sole shareholder of the EnWin group of companies (EnWin Utilities Ltd., EnWin Energy Ltd.). The City, in turn, is the sole shareholder of WCUL. As a corporation subject to the Ontario *Business Corporations Act* ("OBCA"), WCUL is required to obtain certain shareholder resolutions from the City on an annual basis. This can be done by way of meeting, or in writing.

As the shareholder, the City (represented by City Council) must appoint someone to execute the resolutions in accordance with its direction. Therefore this report seeks that Council approve the resolutions presented by WCUL, and further that it appoints the Mayor to execute the resolutions on behalf of the City.

Discussion:

The resolutions to be presented on an annual basis are prescribed by the legislation and are limited to:

- (a) Approval of minutes of prior AGMs (if any);
- (b) Receipt of financial statements;
- (c) Appointment of directors;
- (d) Appointment of auditors.

These resolutions are essentially annual housekeeping, save and except that WCUL requests that the shareholder appoint Jerry Udell to its Board of Directors based on the recommendation of the Board's Nomination Committee.

It is Administration's opinion that it is appropriate to approve the resolutions presented.

In addition to the resolutions specifically noted above, WCUL has presented an additional housekeeping resolution intended to ensure that the WCUL minute book is properly up to date. In the interests of thoroughness, counsel for WCUL has proposed a resolution that would ensure all prior necessary resolutions are properly ratified. These resolutions would include:

- passing of financial statements;
- appointment of auditors; and,
- appointment of directors.

Administration is comfortable recommending acceptance of this resolution because:

- all prior WCUL financial statements have been placed before Council;
- WCUL has always been required to utilize the same auditors as the City and has done so; and,
- all directors have been appointed through the City's processes.

A draft Board resolution of a similar nature is also enclosed.

Risk Analysis:

As the sole shareholder of WCUL, the City must fulfill its obligations under the OBCA and address the resolutions presented by WCUL.

Approval of the resolutions pose little to no risk to the City as the City remains involved and aware with respect to the operations of WCUL.

Approval of the housekeeping resolution will ensure that all prior necessary actions have been properly approved and ratified, thereby bringing the corporate minute books up to date.

Climate Change Risks

Climate Change Mitigation:

n/a

Climate Change Adaptation:

n/a

Financial Matters:

There are no financial ramifications to accepting the resolutions presented by WCUL.

Consultations:

n/a

Conclusion:

The resolutions presented by WCUL are essentially corporate housekeeping and it is appropriate to approve them. It is necessary to appoint a signatory to represent the City for that purpose.

Approvals:

Name	Title
Shelby Askin Hager	City Solicitor and Corporate Leader Economic Development and Public Safety
Janice Guthrie	On behalf of City Treasurer and Corporate Leader Finance and Information Technology
Jason Reynar	Chief Administrative Officer

Notifications:

Name	Address	Email
EnWin Utilities Ltd. Attn: Helga Reidel		hreidel@enwin.com

Appendices:

- 1 Letter to Valerie Critchley dated May 3, 2021 attaching draft resolutions and financial statements
- 2 WUC 2020 Report
- 3 WCU 2020 Report

WINDSOR CANADA UTILITIES LTD
4545 Rhodes Drive, P.O. Box 1625, Stn. "A", Windsor, ON N8W 5T1

May 3, 2021

Ms. Valerie Critchley, City Clerk
The Corporation of the City of Windsor
350 City Hall Square West
Windsor, ON N9A 6S1

Dear Ms. Critchley,

The Board of Directors of Windsor Canada Utilities Ltd. (WCU) wishes to conduct its 2020 Annual General Meeting (AGM) in accordance with the *Business Corporation Act (Ontario)* (OBCA).

Management and available representatives of the WCU Board, together with its subsidiary companies and the Windsor Utilities Commission, are willing to attend the City Council meeting of June 7, 2021 to provide our 2020 Annual Report(s) and respond to questions. This offer is with full understanding of the extraordinary circumstances we find ourselves in as a direct result of the COVID-19 pandemic, for example social distancing, and the meeting protocols that the City has had to adapt to. As such, we would be happy to attend Council through virtual means if more appropriate to do so.

As done in previous years, I am recommending utilizing written and signed resolutions in lieu of a meeting in conducting the AGM, pursuant to s. 104(1) of the OBCA. Thus, a city representative will need to be appointed to vote on behalf of the shareholder, and such appointee will cast the shareholder's vote by signing the written resolutions.

To this end, I formally request that City Council designate, by way of a City Council resolution, Council's representative to vote on behalf of the shareholder. In 2020, Mayor Dilkens was Council's designate.

I have attached the general form of the resolutions that the shareholder or representative will be asked to approve. In this regard, I ask that City Council authorise their designate to approve and sign these resolutions. We propose that such designation and authorization occur at or before the City Council meeting of June 7, 2021.

To further support this request, attached are the 2020 Audited Consolidated Financial Statements of Windsor Canada Utilities Ltd. These include the financial results of ENWIN Utilities Ltd. and ENWIN Energy Ltd.

Also attached, for the information of City Council, are the 2020 Audited Financial Statements of the Windsor Utilities Commission.

I look forward to your confirmation of the date of this proposed agenda item.

Please contact me if you have any questions about this submission.

Sincerely,

ENWIN Utilities Ltd.



Paul Gleason

Vice President Customer Care & Corporate Operations; Corporate Secretary

Cc: Ms. Helga Reidel, President & CEO, ENWIN Utilities Ltd.
Mayor Drew Dilkins, Chair, Windsor Canada Utilities Ltd., ENWIN Utilities Ltd., ENWIN Energy Ltd. and Windsor Utilities Commission
Ms. Shelby Askin Hager, City Solicitor, The Corporation of the City of Windsor

Attachments (3):

Appendix A: Draft resolutions for shareholder approval – 2020
Appendix B: 2020 Audited Consolidated Financial Statements, Windsor Canada Utilities Ltd.
Appendix C: 2020 Audited Financial Statements, Windsor Utilities Commission

Appendix A

RESOLUTION OF THE SOLE SHAREHOLDER OF WINDSOR CANADA UTILITIES LTD.

The undersigned, being the sole shareholder of Windsor Canada Utilities Ltd. (the “**Corporation**”), acting pursuant to s. 104 of the Business Corporations Act, R.S.O. 1990, c.B.16, as amended (the “**Act**”) by its’ signature hereby passes the following resolutions:

NOW THEREFORE BE IT RESOLVED THAT:

1. Windsor Canada Utilities Ltd. 2020 Audited Financial Statements

That the Windsor Canada Utilities Ltd. Audited Consolidated Financial Statements and report of the Auditor, KPMG LLP, for the period ended December 31, 2020, BE RECEIVED AND ACCEPTED.

2. Appointment of Auditors for 2021

That the audit firm selected and named by City Council as auditors for the Corporation of the City of Windsor, KPMG LLP, BE APPOINTED as the auditors of Windsor Canada Utilities Ltd., for the 2021 fiscal year end, at such remuneration as may be fixed by the Board of Directors and the Board of Directors is hereby authorized to fix such remuneration.

3. Election of Board of Directors

That the following Director of the Board of Windsor Canada Utilities Ltd., as recommended by the Nominating Committee and Board of Directors of Windsor Canada Utilities Ltd., BE ELECTED as follows:

- Mr. Jerry Udell (3-year term).

4. Confirmation of Proceedings

That all the by-laws, resolutions, contracts, proceedings, elections and appointments, enacted, passed, made or taken by the shareholders, directors or officers of the Corporation, at any time during the fiscal year beginning January 1, 2020 and ending December 31, 2020 (hereinafter collectively called "the corporate proceedings") as the same are set forth or referred to in the minutes of the shareholders and the directors for the Corporation and in the other records of the corporate proceedings, and all acts and proceedings taken by the directors, officers, agents or employees of the Corporation under the authority of or pursuant to any of the corporate proceedings be hereby ratified and confirmed with the effect stated in such corporate proceedings; and

Insofar as any such corporate proceeding shall not have been validly enacted, passed, sanctioned, confirmed, authorized or made, such corporate proceedings shall be ratified and confirmed with

retroactive effect, and in all other respects with the effect stated in the minutes and records of the Corporation.

The undersigned, being the sole shareholder of the Corporation, hereby approves and consents to the above resolutions as evidenced by the signature of the shareholder's authorized representative set out below.

SIGNED AND DATED at Windsor, Ontario as of the _____ day of _____, 2021.

THE CORPORATION OF THE CITY OF WINDSOR

By:

Its:

I have the authority to bind the corporation.

Consolidated Financial Statements of

WINDSOR CANADA UTILITIES LTD.

And Independent Auditors' Report thereon

Year Ended December 31, 2020



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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Windsor Canada Utilities Ltd.

Opinion

We have audited the consolidated financial statements of Windsor Canada Utilities Ltd. (the Entity), which comprise:

- the consolidated balance sheet as at December 31, 2020
- the consolidated statement of income for the year then ended
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font. Below the signature is a single, long, horizontal, slightly curved line.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 28, 2021

WINDSOR CANADA UTILITIES LTD.

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Year ended December 31, 2020

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WINDSOR CANADA UTILITIES LTD.

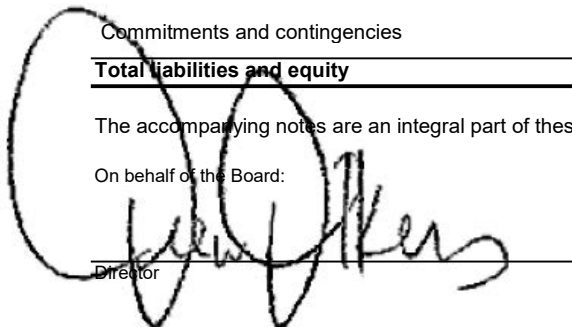
Consolidated Balance Sheet
(In thousands of Canadian dollars)

December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 39,838	\$ 34,507
Investment	9	8,182	6,311
Accounts receivable	5	53,312	52,144
Due from related parties	22	2,166	882
Inventory	6	4,174	4,923
Other assets		2,076	1,649
		109,748	100,416
Non-current assets:			
Property, plant and equipment	7	243,219	239,063
Intangible assets	8	2,083	3,281
Investment, sinking fund	9	11,055	9,454
Investment in joint venture	23	135	159
Work in progress		255	261
Due from related parties - debentures and post-retirement	22	52,411	53,233
Deferred income taxes	16	9,118	9,742
		318,276	315,193
Total assets		\$ 428,024	\$ 415,609
Liabilities			
Current liabilities:			
Accounts payable and accruals	10	\$ 34,585	\$ 27,733
Payments in lieu of income taxes payable	16	428	1,890
Due to related parties	22	6,998	6,581
Current portion of customer deposits	11	988	920
Deferred revenue		7,842	8,405
		50,841	45,529
Non-current liabilities:			
Customer deposits	11	3,954	3,818
Deferred revenue - customer contributions	12	18,751	18,101
Long-term debt	13	102,497	102,483
Employee future benefits	14	69,388	62,142
		194,590	186,544
Total liabilities		245,431	232,073
Equity			
Common shares	17	81,842	81,842
Contributed surplus		516	516
Retained earnings		103,478	100,162
Accumulated other comprehensive income (loss)		(3,243)	1,016
		182,593	183,536
Commitments and contingencies	25		
Total liabilities and equity		\$ 428,024	\$ 415,609

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board:



Director



Director

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Income
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Revenue from sale of electricity:			
Sale of electricity		\$ 276,540	\$ 254,853
Distribution revenue	18	49,019	51,400
		325,559	306,253
Cost of electricity purchased		280,260	255,384
Gross profit		45,299	50,869
Other revenue:			
Services provided to Windsor Utilities Commission	22	18,850	19,689
Other income	19	8,450	7,004
		27,300	26,693
Operating expenses:			
Operating and distribution expenses	20	34,395	32,595
Billing, collecting and administrative expenses	20	14,638	15,322
Depreciation and amortization	7, 8	12,219	13,160
		61,252	61,077
Income from operating activities		11,347	16,485
Finance expense (income):			
Finance income	21	(3,144)	(3,637)
Finance expense	21	4,306	4,365
		1,162	728
Income before tax		10,185	15,757
Income taxes:			
Provision for payments in lieu of corporate taxes	16	709	8,168
Deferred income taxes	16	2,160	(4,566)
		2,869	3,602
Income for the year		\$ 7,316	\$ 12,155

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Comprehensive Income
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Income for the year		\$ 7,316	\$ 12,155
Other comprehensive income:			
Items that will not be reclassified to the statement of income:			
Remeasurement of employee future benefits income (loss)	14	(5,795)	5,033
Related tax	16	1,536	(1,334)
Other comprehensive income (loss)		(4,259)	3,699
Total comprehensive income for the year		\$ 3,057	\$ 15,854

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Changes in Equity
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2019	\$ 81,842	\$ 516	\$ 92,007	\$ (2,683)	\$ 171,682
Income for the year	-	-	12,155	-	12,155
Dividends declared	-	-	(4,000)	-	(4,000)
Other comprehensive income	-	-	-	3,699	3,699
Balance at December 31, 2019	\$ 81,842	\$ 516	\$ 100,162	\$ 1,016	\$ 183,536
Income for the year	-	-	7,316	-	7,316
Dividends declared	-	-	(4,000)	-	(4,000)
Other comprehensive loss	-	-	-	(4,259)	(4,259)
Balance at December 31, 2020	\$ 81,842	\$ 516	\$ 103,478	\$ (3,243)	\$ 182,593

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Cash Flows
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Cash flows from operating activities:			
Total comprehensive income for the year		\$ 3,057	\$ 15,854
Adjustments for:			
Depreciation and amortization	7,8	12,219	13,160
Amortization of deferred revenue customer contributions		(493)	(417)
Remeasurement of employee future benefits	14	5,795	(5,033)
Gain on investment	9	(522)	(617)
Loss (gain) on sale of property, plant and equipment	19	(1,050)	537
Amortization of debt issuance costs		14	13
Share in joint venture's net loss		24	28
Income tax expense	16	709	8,168
		19,753	31,693
Changes in:			
Net finance expense	21	1,148	715
Accounts receivable		(1,168)	(3,478)
Due from related parties	22	(1,284)	1,901
Inventory		749	(1,174)
Other assets		(427)	(791)
Investment in joint venture		-	(100)
Work in progress		6	36
Deferred income taxes		624	(3,232)
Accounts payable and accruals		6,852	1,724
PIL of income taxes		1,542	(2,979)
Due to related parties	22	417	932
Deferred revenue		(563)	(352)
Customer deposits		204	(2,100)
Employee future benefits		1,451	2,778
		9,551	(6,120)
Interest paid		(4,292)	(4,352)
Interest received		3,144	3,637
Income taxes paid		(3,713)	(4,237)
		24,443	20,621
Cash flows from investing activities:			
Acquisition of property, plant, equipment and intangible assets	7, 8	(16,749)	(21,630)
Acquisition of investment	9	(2,950)	(1,200)
Deferred revenue - customer contributions		1,143	4,081
Proceeds on sale of property, plant & equipment		2,622	73
		(15,934)	(18,676)
Cash flows from financing activities:			
Decrease in due from related parties	22	822	822
Dividends paid		(4,000)	(4,000)
		(3,178)	(3,178)
Net increase (decrease) in cash and cash equivalents		5,331	(1,233)
Cash and cash equivalents at January 1		34,507	35,740
Cash and cash equivalents at December 31		\$ 39,838	\$ 34,507

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

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(in thousands of Canadian dollars)

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WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements
(in thousands of Canadian dollars)

Year ended December 31, 2020

1. Reporting entity:

Windsor Canada Utilities Ltd. ("WCUL" or the "Corporation") is a holding company owned by its sole shareholder, the Corporation of the City of Windsor (the "City"). WCUL was incorporated in December of 1999 under the Business Corporations Act (Ontario). The principal business of WCUL is to provide strategic direction and financing to the operations of ENWIN Utilities Ltd. ("EWU"), a rate-regulated distribution company, and ENWIN Energy Ltd. ("EWE"), a non-regulated service company. The address of WCUL's registered office is 4545 Rhodes Drive, Windsor, Ontario, Canada.

The principal activity of WCUL, through its wholly-owned subsidiary, EWU, is the ownership and operation of the electricity distribution grid in the City. WCUL, through its wholly-owned subsidiary, EWE, is also responsible for the provision of sentinel lighting to the businesses of the City and street lighting maintenance services to the City.

These financial statements are presented on a consolidated basis and include the following subsidiaries: EWU and EWE. Hereafter, for purposes of these notes, unless specifically referenced, any and all references to the "Corporation" refer to WCUL and its subsidiaries EWU and EWE.

On November 6, 2012, EWU and the Windsor Utilities Commission (the "Commission") entered into a Water System Operating Agreement ("WSOA"), whereby EWU agreed to provide services to the Commission with respect to operating the water treatment and distribution system as well as District Energy. The services include: management, administrative services, construction operations, and maintenance services. EWU is responsible for providing all personnel required to operate the water system and District Energy. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, the Commission transferred all non-unionized employees and all unionized employees of the Commission to EWU. The Commission is a local board of the City.

Through its wholly-owned subsidiary, EWE, the Corporation has a joint venture investment in ONtech Rapid Coatings Inc. ("ONtech"), which is accounted for using the equity method.

The Corporation's arrangements with its subsidiaries, the Commission and the City are subject to the Ontario Energy Board's ("OEB") Affiliate Relationships Code, which is a code prescribed by and issued pursuant to the Ontario Energy Board Act, 1998.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation:

(a) Statement of compliance:

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB.

(b) Approval of the consolidated financial statements:

The consolidated financial statements were approved by the Board of Directors on April 28, 2021.

(c) Basis of measurement:

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- (i) Where held, financial instruments at fair value through profit or loss, are measured at fair value.
- (ii) The accrued benefit related to the Corporation's unfunded defined benefit plan is actuarially determined and is measured at the present value of the defined benefit obligation.

(d) Functional and presentation currency:

These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand dollars.

(e) Use of estimates and judgements:

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(e) Use of estimates and judgements (continued):

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

In particular, significant areas where upon estimation was required that have the most significant effect on the amounts recognized in these consolidated financial statements, include:

- (i) Note 3(j) – Deferred revenue: determination of the performance obligation for contributions from customers and the related amortization period;
- (ii) Note 5 – Trade accounts receivables: allowance for impairment. Unbilled revenue: measurement of revenues not yet billed;
- (iii) Note 7 – Property, plant and equipment: useful lives and the identification of significant components of property, plant and equipment;
- (iv) Note 14 – Employee future benefits: measurement of the defined benefit obligation;
- (v) Note 24 – Financial instruments and risk management: valuation of financial instruments.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements, include:

- (i) The Corporation's determination that they are acting as a principal for electricity distribution and therefore have presented the electricity revenues on a gross basis.

(f) Rate regulation:

EWU is regulated by the OEB, under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity customers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDC"), such as EWU, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(f) Rate regulation (continued):

In its capacity to approve or set rates, the OEB has the authority to specify regulatory accounting treatments that differ from IFRS. The OEB's regulatory accounting treatments require the recognition of regulatory assets and liabilities which do not meet the definition of an asset or liability under IFRS and, as a result, these regulatory assets and liabilities have not been recorded in these consolidated IFRS financial statements.

(i) Rate setting:

The electricity distribution rates and other regulated charges of EWU are determined by the OEB. This regulated rate-setting provides LDCs with the opportunity to recover the revenue requirement associated with owning and operating the LDC. The revenue requirement represents the forecasted prudent costs, including the cost of capital, which will be reasonably necessary for the LDC to invest in the electricity grid, operate the electricity grid, and serve customers in its licenced service area.

(ii) Rate applications:

When EWU files a "Cost of Service" ("COS") rate application, the OEB establishes the revenues required to recover the forecasted operating costs, including amortization and income taxes, of providing the regulated electricity distribution service and providing a fair return on EWU's rate base. EWU estimates electricity usage and the costs to service each customer class in order to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and any registered intervenors. Rates are approved based upon the review of evidence and information, including any revisions resulting from that review.

In the intervening years between a COS, an Incentive Regulation Mechanism ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor set by the OEB and a stretch factor determined by the relative efficiency of an electricity distributor.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(f) Rate regulation (continued):

(iii) Distribution rates:

On April 26, 2019, EWU submitted a COS application to the OEB to change distribution rates effective January 1, 2020. The application was approved by the OEB on December 5, 2019.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

(a) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and investments with a maturity of approximately three months or less at the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as an investment.

(b) Financial instruments:

All consolidated financial assets and liabilities of the Corporation are classified into one of the following categories: amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The Corporation has classified its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Accounts receivable	Amortized cost
Due from related parties	Amortized cost
Investment	Fair value through profit or loss
Accounts payable and accruals	Amortized cost
Due to related parties	Amortized cost
Long-term debt	Amortized cost

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial instruments are recognized initially at amortized cost plus any directly attributable transaction costs.

Subsequent to initial recognition, financial instruments classified as fair value through profit and loss are measured at fair value. The Corporation does not use derivative instruments.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Fair value:

Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly; and

Level 3: inputs for assets and liabilities that are based on observable market data.

(d) Inventory:

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average basis. Net realizable value is determined on a replacement cost basis.

(e) Property, plant and equipment:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Borrowing costs on qualifying assets are capitalized as part of the cost of the asset and are based on the Corporation's average cost of borrowing.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(e) Property, plant and equipment (continued):

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

(iii) Depreciation:

Depreciation is recognized in the consolidated statement of income on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Buildings	10 – 50 years
Distribution and metering equipment	8 – 80 years
Other assets	5 – 20 years

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within other income in the consolidated statement of income.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(f) Intangible assets:

(i) Computer software:

Computer software that is acquired or developed by the Corporation, including software that is not integral to the functionality of equipment purchased, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Intangible assets (continued):

(ii) Amortization:

Amortization is recognized in the consolidated statement of income on a straight-line basis over the estimated useful lives of the intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative years are:

Computer software	5 – 10 years
-------------------	--------------

Amortization methods and useful lives are reviewed at each reporting date.

(g) Work in progress:

Work in progress is recorded at cost, with cost being determined based on material purchased services, internal labour and overhead, as applicable.

(h) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

All impairment losses are recognized in the consolidated statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(h) Impairment (continued):

(ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than inventory, work-in-progress and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of income and are allocated to reduce the carrying amount of the assets in the cash-generating unit on a pro-rata basis.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Employee future benefits:

(i) Pension plan:

EWU provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, defined benefit pension plan established in 1962 by the Province of Ontario for employees of municipalities, local boards and school boards in Ontario. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable EWU to account for the plan as a defined benefit plan. The plan has been accounted for as a defined contribution plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income when they are due. At December 31, 2020, the OMERS plan is in a deficit position.

(ii) Post-employment benefits, other than pension:

EWU pays certain health, dental and life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees. These benefits are provided through a group defined benefit plan. EWU is the legal sponsor of the Plan. There is a policy in place to allocate the net defined benefit cost to the entities participating in the group plan. The allocation is based on the obligation attributable to the plan participants. EWU has reflected its share of the defined benefit costs and related liabilities, as calculated by the actuary, in these consolidated financial statements.

EWU accrues the cost of these employee future benefits over the periods in which the employees earn the benefits. The accrued benefit obligations and the current service costs are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. The current service cost for a period is equal to the actuarial present value of benefits attributed to that period in which employees rendered their services.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Employee future benefits (continued):

(ii) Post-employment benefits, other than pension (continued):

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. EWU determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period, taking into account any changes in the net benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the consolidated statement of income.

Gains and losses on account of curtailment of settlement of these employee future benefits are recognized immediately in income.

In accordance with the WSOA and the Employee Arrangement Agreement between the Commission and EWU, the Plan was amended such that all active Commission management and union employees were included as part of the Plan, and have their coverage sponsored by EWU. A date of December 31, 2012 was assumed by the actuary to reflect this event in the Plan.

(j) Deferred revenue:

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. These contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

(k) Customer deposits:

Customer deposits include cash collections from customers, which are applied against any unpaid portion of individual customer accounts. Effective January 1, 2011, the OEB required that a customer's deposit be applied to the customer's account prior to the severance process commencing. OEB rules also specify that customer deposits in excess of unpaid account balances must be refunded to customers. Customer deposits are also refundable at EWU's discretion when a customer demonstrates an acceptable level of credit risk. EWU only retains commercial deposits. Customer deposits also include monies received from developers and distribution customers for services that are recorded as construction in progress and, once the assets are put into service, will be accounted for through a capital contribution.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) Revenue recognition:

IFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that EWU has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Revenue for EWU is recognized when EWU satisfies the performance obligations within the contract(s) for conditions of service, which is when the distribution and delivery of electricity is achieved or specific services are performed.

Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of electricity consumed by customers since the date of each customer's last meter reading. Actual electricity usage could differ from those estimates.

Revenue is measured at the fair value of the consideration received or receivable, net of any taxes which may be applicable.

Street lighting maintenance revenue – EWE has a contract with the City to provide maintenance of the street lighting system. This contract includes replacing damaged or non-functioning street lighting. Revenue is recognized when the services have been performed. There is also a fixed component to the contract that is recognized evenly throughout the year.

Sentinel lighting revenue – EWE provides sentinel lighting equipment to customers. A monthly rental charge is earned by EWE for the use of the sentinel light equipment.

Other income for work orders is recorded on a net basis as the Corporation is acting as an agent for this revenue stream. All other amounts in other income are recorded on a gross basis and are recognized when services are rendered.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(m) Finance costs:

Finance costs comprise interest expense on borrowings and unwinding of the discount rate on provisions.

(n) Income taxes:

The income tax expense comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of income except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

Under the Electricity Act 1998, the Corporation makes payments in lieu of corporate taxes to Ontario Electricity Financial Corporation. These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporation Tax Act (Ontario) as modified by the Electricity Act, 1998 and related regulations. Payments in lieu of taxes ("PILS") are referred to as income taxes.

Current tax is the expected PILs payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statement of income in the year that includes the date of enactment or substantive enactment.

(o) Set-off and reporting on a net basis:

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. For financial assets and financial liabilities, offsetting is permitted when, and only when, the Corporation has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(p) New standards and interpretations not yet adopted:

The following standards which are not yet effective for the year ended December 31, 2020, have not been applied in preparing these financial statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

On May 14, 2020, the IASB issued *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)*.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early adoption is permitted.

The amendments provide guidance on the accounting for sale proceeds and the related production costs for items a company produces and sells in the process of making an item of property, plant and equipment (“PPE”) available for its intended use. Specifically, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On May 14, 2020, the IASB issued *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*.

The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. Early adoption is permitted.

IAS 37 does not specify which costs are included as a cost of fulfilling a contract when determining whether a contract is onerous. The IASB’s amendments address this issue by clarifying that the ‘costs of fulfilling a contract’ comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of PPE used in fulfilling the contract.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

On January 23, 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify the classification of liabilities as current or non-current. On July 15, 2020, the IASB issued an amendment to defer the effective date by one year.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(p) New standards and interpretations not yet adopted (continued):

unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The Corporation has assessed the potential impacts on its financial statements, and determined that the future pronouncements will not have a material impact on the Corporation.

4. Cash and cash equivalents:

	2020	2019
Cash and cash equivalents	\$ 39,838	\$ 34,507
Cash and cash equivalents	\$ 39,838	\$ 34,507

The Corporation has an agreement with a Canadian chartered bank for an operating line of credit in the amount of \$75,000 (2019 - \$75,000) bearing interest at prime minus 0.25%. The line of credit restricts the availability of the Corporation to lien assets. As of December 31, 2020, the outstanding balance in the line of credit was \$nil (2019 - \$nil).

5. Accounts receivable:

	2020	2019
Trade receivables	\$ 26,129	\$ 25,039
Unbilled revenue	28,293	28,391
Allowance for doubtful accounts	(1,110)	(1,286)
Accounts receivable	\$ 53,312	\$ 52,144

6. Inventory:

Inventory consists of parts and supplies acquired for capital, internal construction, maintenance or recoverable work.

The amount of inventory consumed by the Corporation and recognized as an expense during 2020 was \$4,387 (2019 - \$5,645).

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment:

(a) Cost:

		Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
Balance at January 1, 2019	\$	21,297	\$ 249,742	\$ 24,295	\$ 1,891	\$ 297,225
Additions		204	15,646	3,046	1,661	20,557
Disposals/retirements		(27)	(843)	-	-	(870)
Balance at December 31, 2019	\$	21,474	\$ 264,545	\$ 27,341	\$ 3,552	\$ 316,912
Balance at January 1, 2020	\$	21,474	\$ 264,545	\$ 27,341	\$ 3,552	\$ 316,912
Additions		3,788	10,103	2,477	(38)	16,330
Disposals/retirements		(1,355)	(939)	(208)	-	(2,502)
Balance at December 31, 2020	\$	23,907	\$ 273,709	\$ 29,610	\$ 3,514	\$ 330,740

(b) Accumulated depreciation:

		Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
Balance at January 1, 2019	\$	7,058	\$ 46,483	\$14,112	\$ -	\$ 67,653
Depreciation charge for the year		938	7,203	2,305	-	10,446
Disposals/retirements/transfers		(1)	(249)	-	-	(250)
Balance at December 31, 2019	\$	7,995	\$ 53,437	\$16,417	\$ -	\$ 77,849
Balance at January 1, 2020	\$	7,995	\$ 53,437	\$16,417	\$ -	\$ 77,849
Depreciation charge for the year		770	7,592	2,240	-	10,602
Disposals/retirements/transfers		(407)	(316)	(207)	-	(930)
Balance at December 31, 2020	\$	8,358	\$ 60,713	\$18,450	\$ -	\$ 87,521

(c) Carrying amounts:

		Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
December 31, 2019	\$	13,479	\$ 211,108	\$ 10,924	\$ 3,552	\$ 239,063
December 31, 2020	\$	15,549	\$ 212,996	\$ 11,160	\$ 3,514	\$ 243,219

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

8. Intangible assets:

(a) Cost or deemed cost:

	Computer software
Balance at January 1, 2019	\$ 29,977
Additions	1,073
Balance at December 31, 2019	\$ 31,050
Balance at January 1, 2020	\$ 31,050
Additions	419
Balance at December 31, 2020	\$ 31,469

(b) Accumulated amortization:

	Computer software
Balance at January 1, 2019	\$ 25,055
Amortization charge for the year	2,714
Balance at December 31, 2019	\$ 27,769
Balance at January 1, 2020	\$ 27,769
Amortization charge for the year	1,617
Balance at December 31, 2020	\$ 29,386

(c) Carrying amounts:

	Computer software
December 31, 2019	\$ 3,281
December 31, 2020	\$ 2,083

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

9. Investment:

EWU and EWE have short-term fixed income investments. EWU has an initial investment of \$1,750 invested in a one-year term deposit at a rate of 1.3% compounded annually (2019 – \$nil), with a maturity date of December 21, 2021. EWE has an initial investment of \$3,247 invested in a one-year term deposit at a rate of 1.3% compounded annually (2019 - \$3,160) with a maturity date of October 26, 2021. Another investment of \$3,177 (2019 - \$3,135) has been invested in a high interest savings account at the rate of prime less 1.45%.

	2020	2019
Investment:		
Term deposit	\$ 5,005	\$ 3,176
High interest savings	3,177	3,135
Total investment	\$ 8,182	\$ 6,311

In 2014, a sinking fund was established with the intent to ensure sufficient funds are available to settle debentures issued November 6, 2012, with a maturity date of November 6, 2042, in the amount of \$103,000. There are no restrictions with this investment. Annual payments are expected to be completed to satisfy the obligation.

These investments are recorded at fair value as of December 31, 2020, and are invested in fixed income and equity markets as established by the Corporation's investment policy.

	2020	2019
Investment:		
Sinking fund	\$ 11,055	\$ 9,454
Investment, sinking fund	\$ 11,055	\$ 9,454

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

10. Accounts payable and accruals:

	2020	2019
Trade payables	\$ 20,773	\$ 18,083
Accrued expenses	13,812	9,650
	<u>\$ 34,585</u>	<u>\$ 27,733</u>

See accounting policies in Note 3(b). Information about the Corporation's exposure to currency and liquidity risk is included in Note 24.

11. Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers, as well as construction deposits.

Customer deposits comprise:

	2020	2019
Customer deposits	\$ 4,065	\$ 4,291
Construction deposits	877	447
	<u>4,942</u>	<u>4,738</u>
Less: current portion	(988)	(920)
	<u>\$ 3,954</u>	<u>\$ 3,818</u>

12. Deferred revenue – customer contributions:

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue received from customers is \$18,751 (2019 - \$18,101). Deferred revenue is recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Long-term borrowings:

Long-term borrowings comprise:

	2020	2019
Debentures payable	\$ 103,000	\$ 103,000
Less: debt issuance costs	(503)	(517)
	<u>\$ 102,497</u>	<u>\$ 102,483</u>

Senior unsecured debentures, which have a maturity date of November 6, 2042, and bearing interest at a rate of 4.134% per annum, were issued on November 6, 2012. Interest is payable in equal semi-annual instalments, in arrears, on May 6 and November 6 each year commencing May 6, 2013, until maturity. The debentures are represented by a single Global Debenture Certificate registered in the name of CDS & Co. In order to put the debentures in place, the Corporation incurred debt issuance costs in the amount of \$601. The debentures require semi-annual interest payments only to 2042 of \$2,129, with a final principal payment of \$103,000 due November 6, 2042.

The Corporation incurred interest expense in respect of the debentures of \$4,258 (2019 - \$4,258), which is recognized as part of finance expense on the consolidated statement of income.

The Commission is a guarantor of \$52,000 in relation to the debentures and is a borrower of that same amount from WCUL pursuant to a revolving credit agreement also entered into on November 6, 2012. The Commission is obligated to make due and punctual payments of the principal and applicable interest on each debenture on their due dates, on maturity, on redemption or on acceleration.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Employee future benefits:

EWU pays certain health, dental and life insurance benefits on behalf of its retired employees. Significant assumptions underlying the actuarial valuation include management's best estimate of the interest (discount) rate, mortality decrement, the average retirement age of employees, employee turnover and expected health and dental care costs.

The Plan was amended such that all active Commission management and union employees covered under the Commission collective agreement from July 1, 2012, would be included as part of the Plan and have their coverage sponsored by EWU. The December 31, 2012 date was chosen to reflect this event in the Plan. Reference Note 1 for further information.

EWU measures its accrued benefit liability for accounting purposes as at December 31 each year. A valuation date of December 31, 2019, with extrapolation to December 31, 2020, has been used to calculate the current obligation. EWU's employee future benefit liability consists of the following:

	2020	2019
Defined benefit liability	\$ 69,388	\$ 62,142
Defined benefit liability, end of year	\$ 69,388	\$ 62,142

Information about EWU's unfunded defined benefit plan is as follows:

Changes in the present value of the defined benefit liability:

	2020	2019
Defined benefit liability, beginning of year	\$ 62,142	\$ 64,397
Defined benefit expense	3,248	4,490
Actuarial loss (gain) on liability recognized in other comprehensive income	5,795	(5,033)
Benefits paid for the year	(1,797)	(1,712)
Defined benefit liability, end of year	\$ 69,388	\$ 62,142

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Employee future benefits (continued):

Components of net benefit expense recognized are as follows:

		2020		2019
Current service cost	\$	1,348	\$	1,949
Interest cost		1,900		2,541
Net benefit expense	\$	3,248	\$	4,490

Net benefit expense for the year is recognized as administrative expense on the consolidated statement of income.

The main actuarial assumptions underlying the valuation are as follows:

(a) Health care cost trend rates:

The health care cost trend for prescription drugs is estimated to increase at 6.4% in 2020 grading down to 4.0% by 2041. Other health expenses are estimated to increase at 4.95% grading down to 4.0% by 2041. Dental expenses are estimated to increase at 4.0% per year.

(b) Financial instruments:

The liabilities at the period end and the present value of future liabilities were determined using a discount rate of 2.6% (2019 – 3.1%) representing an estimate of the yield on high quality corporate bonds as at the valuation date.

(c) Mortality decrement:

The rates applicable to public sector retirees in the 2014 Canadian Pensioners Mortality table produced by the Canadian Institute of Actuaries were used as the basis of these assumptions.

A 1% or one year change in actuarial assumptions, assuming all other factors remain constant, has the following impact on the defined benefit liability carrying amount:

	December 31, 2020		December 31, 2019	
	Increase	Decrease	Increase	Decrease
Health care trend rate (1% change)	\$ 12,426	\$ (9,860)	\$ 10,335	\$ (8,260)
Discount rate (1% change)	(10,847)	13,973	(9,534)	12,782
Mortality (1 year)	3,104	(2,998)	2,540	(2,460)

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

15. Pension plan:

EWU participates in the Ontario Municipal Employees Retirement Fund ("OMERS"), a multi-employer plan, on behalf of its employees. The plan has been accounted for as a defined contribution plan. Contributions during the year were 9.0% (2019 - 9.0%) for employee earnings below the year's maximum pensionable earnings and 14.6% (2019 - 14.6%) thereafter. During 2020, EWU expensed contributions totalling \$3,200 (2019 - \$2,787) made to OMERS in respect of the employer's required contributions to the plan. Estimated contributions for 2021 are \$3,152.

16. Income taxes (provision for payment in lieu of corporate taxes):

	2020	2019
Current tax expense:		
Current year	\$ 883	\$ 3,334
Adjustments for prior years	(174)	4,834
Deferred tax expense:		
Origination and reversal of temporary differences	624	2,067
Adjustments for prior years	-	(5,299)
Tax related to remeasurement of employee future benefits	1,536	(1,334)
Total income taxes expense	\$ 2,869	\$ 3,602

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

16. Income taxes (provision for payment in lieu of corporate taxes) (continued):

The provision for income taxes varies from amounts which would be computed by applying the Corporation's combined statutory income tax rate as follows:

	2020	2019
Basic rate applied to total comprehensive income before income tax	26.50%	26.50%
Change in income tax resulting from: Items not deductible for tax purposes and other	1.67%	(3.64%)
Effective rate applied to comprehensive income before income taxes	28.17%	22.86%

The components of the deferred income tax assets and liabilities are summarized as follows:

	2020	2019
Deferred tax assets:		
Employee benefits	\$ 12,506	\$ 10,368
Property, plant and equipment	6	6
Regulatory assets	-	885
Share of joint venture's net loss	16	10
Other	255	257
Deferred tax liabilities:		
Property, plant and equipment	(3,035)	(1,709)
Regulatory assets	(551)	-
Other	(79)	(75)
Net deferred income tax asset	\$ 9,118	\$ 9,742

At December 31, 2020, a deferred tax asset of \$9,118 (2019 - \$9,742) has been recorded. The utilization of this tax asset is dependent on future taxable income in excess of income arising from the reversal of existing taxable temporary differences. The Corporation believes that this asset should be recognized as it will be recovered through future rates.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Share capital:

	2020	2019
Authorized:		
Unlimited common shares		
Issued:		
2,000 common shares	\$ 81,842	\$ 81,842

18. Distribution revenue:

EWU generates revenue primarily from the sale and distribution of electricity to its customers. Other revenue consists of services provided to related parties and other income. Additional information is provided in Note 19 with the components of other income.

In the following table, distribution revenue is disaggregated by type of customer:

	2020	2019
Residential	\$ 25,635	\$ 26,322
General service – small distribution	17,385	18,730
General service – large distribution	4,446	4,583
Street lighting distribution	1,553	1,765
Total distribution revenue	\$ 49,019	\$ 51,400

19. Other Income:

Other income comprises:

	2020	2019
Change in occupancy	\$ 346	\$ 369
Late payment and collection charges	353	378
Other operating revenues	2,532	2,473
Gain (loss) on disposal of property, plant and equipment	1,050	(537)
Pole rental	1,576	1,540
Sale of scrap	72	93
Sewer surcharge billing and collecting	2,428	2,594
Sentinel lighting rental	93	94
Total other income	\$ 8,450	\$ 7,004

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

20. Employee benefits:

Employee benefit amounts are allocated between Operating and Distribution expenses and Billing, Collecting and Administration expenses.

	Note	2020	2019
Salaries and benefits		\$ 27,049	\$ 24,969
Contributions to multi-employer plan	15	3,200	2,787
Expenses related to defined benefit plans	14	3,248	4,490
		\$ 33,497	\$ 32,246

21. Finance expense (income):

	2020	2019
Finance income:		
Interest income on loans to affiliate	\$ (2,150)	\$ (2,150)
Interest income on bank balances	(472)	(864)
Income on investment	(522)	(623)
	(3,144)	(3,637)
Finance expense:		
Interest expense on long-term borrowings	4,258	4,258
Discount on related party debt	14	13
Other	34	94
	4,306	4,365
Net finance expense	\$ 1,162	\$ 728

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions:

(a) Parent and ultimate controlling party:

The parent of the Corporation is the City. The City produces consolidated financial statements that are available for public use.

(b) Key management personnel:

The key management personnel of the Corporation has been defined as members of its board of directors and executive management team members.

Key management compensation:

	2020	2019
Salaries and other short-term benefits	\$ 1,110	\$ 1,096
Post-employment benefits	16	12
	<u>\$ 1,126</u>	<u>\$ 1,108</u>

(c) Transactions with parent:

EWU provides waste water billing and related services for the City, for which EWU charges a fee. The total amount charged to the City for the year ended December 31, 2020, was \$2,428 (2019 - \$2,594). The fee charged for the waste water billing and related services were recognized as other income from operations on the consolidated statement of income.

EWU collects and remits the waste water billing amounts on behalf of the City. The total amount owing to the City at December 31, 2020, relating to waste water billing was \$6,998 (2019 - \$6,581).

EWE provides street lighting maintenance services to the City. The total amount charged to the City for the year ended December 31, 2020, relating to street lighting maintenance services was \$1,707 (2019 - \$1,171) and is recorded as part of other income from operations in the consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions (continued):

(d) Transactions with entities under common control:

On November 6, 2012, EWU and the Commission entered into a WSOA, whereby EWU agreed to provide services to the Commission with respect to the operation of the Commission's water system and District Energy. The total amount charged to the Commission for the year ended December 31, 2020, was \$18,850 (2019 - \$19,689).

(e) Amounts due from (to) related parties:

The amounts due from related parties consist of:

	2020	2019
Due from company under common control:		
Due from Windsor Utilities Commission	\$ 1,449	\$ 485
Due from parent:		
Due from the Corporation of the City of Windsor	717	397
	<u>\$ 2,166</u>	<u>\$ 882</u>

The amounts due from the City and the Commission are due on demand and are non-interest bearing. These amounts have no specified repayment terms.

Long term receivable due from related parties consist of:

	2020	2019
Due from Windsor Utilities Commission, debentures	\$ 52,000	\$ 52,000
Due from Windsor Utilities Commission, post-retirement	1,233	2,055
	<u>53,233</u>	<u>54,055</u>
Less: Current portion post-retirement	(822)	(822)
Due from related parties – debentures and post-retirement	<u>\$ 52,411</u>	<u>\$ 53,233</u>

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions (continued):

(e) Amounts due from (to) related parties (continued):

The amount due from the Commission, debentures is pursuant to the revolving credit agreement entered into by the Commission and the Corporation.

The amount due from the Commission, post-retirement, is a long term receivable resulting from the Employee Arrangement Agreement with EWU and is amortized over the estimated average remaining service life at the time of the agreement which was 9.5 years, payable each November.

The amounts due to related parties consist of:

	2020	2019
Due to parent:		
Due to the Corporation of the City of Windsor	\$ 6,998	\$ 6,581
	\$ 6,998	\$ 6,581

The amount due to the City is non-interest bearing.

23. Joint venture:

ONtech Rapid Coatings Inc. ("ONtech") is a Canadian controlled private corporation in which EWE has joint control and a 50% ownership interest. ONtech was founded by EWE and Tessonics Inc. and is principally engaged to offer low pressure cold spray solutions. The address of ONtech's registered office is 787 Ouellette Avenue, Windsor, Ontario, Canada.

ONtech is structured as a separate legal entity and EWE has a residual interest in its net assets. Accordingly, the Corporation has classified its interest in ONtech as a joint venture, which is accounted for using the equity method.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management:

The carrying values of cash and cash equivalents, accounts receivable, amounts due from (to) related parties, investment, accounts payable and accruals approximate fair values because of the short maturity of these instruments.

The following table illustrates the classification of the corporation's financial instruments using the fair value hierarchy as at December 31:

Assets	December 31, 2020			December 31, 2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Investment - fixed income	\$ -	\$ 16,395	\$ 16,395	\$ -	\$ 13,936	\$ 13,936
Investment - equity	2,842	-	2,842	1,829	-	1,829
	\$ 2,842	\$ 16,395	\$ 19,237	\$ 1,829	\$ 13,936	\$ 15,765

The fair value of the investments is \$19,237 (2019 - \$15,765). The fair value is calculated based on the quoted market price in the active markets.

The Corporation's activities provide for a variety of financial risks, particularly credit risk, market risk and liquidity risk.

(i) Credit risk:

The aging of accounts receivables at the reporting date was:

	2020	2019
Not past due	\$ 49,100	\$ 46,948
Past due 0 – 30 days	2,355	2,749
Past due 31 – 60 days	935	643
Greater than 60 days	2,032	3,090
	\$ 54,422	\$ 53,430

Financial assets carry credit risk that a counter-party will fail to discharge an obligation which would result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the City of Windsor. No single customer accounts for greater than 6.6% (2019 – 7.8%) of revenues.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(i) Credit risk (continued):

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in the consolidated statement of income. Subsequent recoveries of receivables previously provisioned are credited to the consolidated statement of income. The balance of the allowance for impairment at December 31, 2020 was \$1,110 (2019 - \$1,286).

A continuity of the allowance for doubtful accounts is as follows:

	2020	2019
Balance, beginning of year	\$ 1,286	\$ 985
Accounts receivable balances written off	(461)	(398)
Change in provisions for doubtful accounts	285	699
Balance, end of year	\$ 1,110	\$ 1,286

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately \$2,032 (2019 - \$3,090) is considered 60 days past due. Credit risk is managed through collection of security deposits from customers in accordance with OEB regulation. As of December 31, 2020, the Corporation holds security deposits in the amount of \$4,065 (2019 - \$4,291).

(ii) Liquidity risk:

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest expense. The Corporation has access to a line of credit and monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(ii) Liquidity risk (continued):

The following are the contractual maturities of financial liabilities:

	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
2020						
Accounts payable and accruals	\$ 34,585	\$ -	\$ -	\$ -	\$ -	\$ 34,585
Due to related parties	6,998	-	-	-	-	6,998
Customer deposits	494	494	988	2,966	-	4,942
Long-term borrowings	-	-	-	103,000	(503)	102,497
	\$ 42,077	\$ 494	\$ 988	\$ 105,966	\$ (503)	\$ 149,022

	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
2019						
Accounts payable and accruals	\$ 27,733	\$ -	\$ -	\$ -	\$ -	\$ 27,733
Due to related parties	6,581	-	-	-	-	6,581
Customer deposits	459	460	920	2,899	-	4,738
Long-term borrowings	-	-	-	103,000	(517)	102,483
	\$ 34,773	\$ 460	\$ 920	\$ 105,899	\$ (517)	\$ 141,535

(iii) Market risk:

Market risk primarily refers to the risks of loss that result from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation is exposed to market risks within the investment portfolio. A portion of the portfolio is invested in equities which are subject to market forces. For sensitivity purposes, a 1% change would result in a change of \$28 (2019 - \$18) on the consolidated balance sheet and consolidated statement of income.

(iv) Capital disclosures:

The main objectives of the Corporation when managing capital are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(iv) Capital disclosures (continued):

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2020, shareholder's equity amounts to \$182,593 (2019 - \$183,536) and long-term debt amounts to \$102,497 (2019 - \$102,483).

Through rate-setting, the OEB determines the prudent costs of capital that are recoverable by EWU in relation to the distribution business. These costs of capital are the interest on debt and return on equity. The OEB permits recovery on the basis of a deemed capital structure of 60% debt and 40% equity. The actual capital structure for the Corporation may differ from the OEB deemed structure.

The Corporation has customary covenants typically associated with long-term debt. The Corporation is in compliance with all credit agreement covenants and limitations associated with its long-term debt.

(v) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is subject to variable interest rate cash flow risk with respect to its investments. The Corporation has addressed this risk by entering into fixed interest rates on invested funds and debts.

(vi) Currency risk:

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation is exposed to currency risk through its foreign currency denominated bank and investment accounts. A weakening or strengthening of the Canadian dollar can affect the cash flows. This risk is monitored by investment managers and the exposure is limited to these accounts. For sensitivity purposes, a 1% change in the Canadian dollar would result in a change of \$17 (2019 - \$11) on the consolidated balance sheet and consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

25. Commitments and contingencies:

Contingencies

General

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

General liability insurance

The Corporation is a member of the Municipal Electrical Association Reciprocal Insurance Exchange ("MEARIE"), a self-insurance plan that pools the liability risks of all the Municipal Electric Utilities in Ontario. Members of MEARIE would be assessed on a pro-rata basis should losses be experienced by MEARIE for the years in which the Corporation was a member.

To December 31, 2020, the Corporation has not been made aware of any additional assessments that have not been accrued.

26. Regulatory assets and liabilities:

Under IFRS, there is no recognition of regulatory assets or liabilities, and therefore, the impacts of these transactions are reflected on the consolidated statement of income, as applicable. As a result of not recognizing rate-regulated assets and liabilities, the effect was to increase (decrease) comprehensive income as follows:

	2020	2019
Gross income:		
Retail settlement variance	\$ 6,975	\$ 206
Expenses:		
Retail cost variance	-	(15)
Property, plant and equipment (MIST Meters)	(3,882)	(188)
PILS	778	392
Future PILS	(2,166)	4,559
Regulatory adjustment for IFRS conversion	3,101	2,062
Disposition and recovery of regulatory balances	(5,276)	(988)
Interest expense (net of interest revenue)	57	(67)
Pole rental	-	702
Late payment charges – COVID	(99)	-
Other	-	(21)
Change in comprehensive income (loss)	\$ (512)	\$ 6,642

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

27. Comparative figures:

Certain reclassifications have been made to the prior year's consolidated financial statements to enhance comparability with the current year's consolidated financial statements. As a result, certain line items have been amended in the consolidated balance sheet, consolidated statement of income and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow and the related notes to the consolidated financial statements. There was no impact on current or prior year's net income. Comparative figures have been adjusted to conform to the current year's presentation.

28. Effects of COVID-19:

On March 11, 2020, the World Health Organization characterized the COVID-19 outbreak as a pandemic. The impact of the outbreak on the financial results of the Corporation will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The federal government of Canada has implemented various government programs to respond to the negative economic impacts of COVID-19. The continued development and impact of COVID-19 on the Corporation and the overall economy are highly uncertain and cannot be determined at this time. Management is actively monitoring the situation.

Financial Statements of

**WINDSOR UTILITIES
COMMISSION**

And Independent Auditors' Report thereon

Year ended December 31, 2020



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INDEPENDENT AUDITORS' REPORT

To the Members of Windsor Utilities Commission

Opinion

We have audited the financial statements of Windsor Utilities Commission (the Entity), which comprise:

- the balance sheet as at December 31, 2020
- the statement of income for the year then ended
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single, long, horizontal, slightly wavy line that serves as a flourish or underline.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 28, 2021

WINDSOR UTILITIES COMMISSION

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December 31, 2020

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WINDSOR UTILITIES COMMISSION

Balance Sheet

(In thousands of Canadian dollars)

December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 9,881	\$ 5,122
Investment	8	10,829	9,756
Accounts receivable	5	12,556	11,906
Inventory	6	623	778
Other assets		88	232
		33,977	27,794
Non-current assets:			
Property, plant and equipment	7	329,706	312,697
Investment, sinking fund	8	11,224	9,583
		340,930	322,280
Total assets		\$ 374,907	\$ 350,074
Liabilities			
Current liabilities:			
Accounts payable and accruals	9	\$ 5,799	\$ 8,528
Due to related parties	17	5,613	1,532
Current portion of customer deposits	10	96	101
		11,508	10,161
Non-current liabilities:			
Long-term payable to corporations under common control	17	411	1,233
Customer deposits	10	278	360
Deferred revenue - customer contributions	11	13,832	9,620
Long-term borrowings	12	51,397	51,381
Employee future benefits	13	4,665	4,637
		70,583	67,231
Total liabilities		82,091	77,392
Equity			
Contributed surplus		61,854	61,854
Retained earnings		230,429	210,029
Accumulated other comprehensive income		533	799
		292,816	272,682
Commitments and contingencies	19		
Total liabilities and equity		\$ 374,907	\$ 350,074

The accompanying notes are an integral part of these financial statements.

On behalf of the Commission

Commissioners

Commissioners

WINDSOR UTILITIES COMMISSION

Statement of Income

(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Revenues:			
Revenue from distribution of water	14	\$ 55,213	\$ 53,653
Revenues from District Energy		11,373	10,487
Other income	15	1,306	693
		67,892	64,833
Operating expenses:			
Cost of water production		6,497	6,977
Cost of services for District Energy		9,872	9,042
Distribution, transmission and operation expenses		9,400	10,102
Administration expenses		9,966	10,438
Depreciation and amortization	7	10,214	9,639
		45,949	46,198
Income from operating activities		21,943	18,635
Finance expense (income):			
Finance income	16	(681)	(937)
Finance expense	16	2,224	2,255
		1,543	1,318
Income for the year		\$ 20,400	\$ 17,317

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Comprehensive Income

(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Income for the year		\$ 20,400	\$ 17,317
Other comprehensive gain:			
Items that will not be reclassified to the statement of income:			
Remeasurement of defined benefit obligation (loss) gain	13	(266)	864
Other comprehensive (loss) gain		(266)	864
Total comprehensive income for the year		\$ 20,134	\$ 18,181

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Changes in Equity
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Contributed surplus		Retained earnings		Accumulated other comprehensive income (loss)		Total
Balance at January 1, 2019	\$	61,854	\$	192,712	\$	(65)	\$ 254,501
Income for the year		-		17,317		-	17,317
Other comprehensive gain							
Remeasurement of defined benefit obligation		-		-		864	864
Balance at December 31, 2019	\$	61,854	\$	210,029	\$	799	\$ 272,682
Income for the year		-		20,400		-	20,400
Other comprehensive gain (loss)							
Remeasurement of defined benefit obligation		-		-		(266)	(266)
Balance at December 31, 2020	\$	61,854	\$	230,429	\$	533	\$ 292,816

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Cash Flows

(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Cash flows from operating activities:			
Comprehensive income for the year		\$ 20,134	\$ 18,181
Adjustments for:			
Depreciation and amortization	7	10,214	9,639
Amortization of deferred revenue customer contribution		(208)	(137)
Amortization of debt issuance costs		16	16
Actuarial (loss) gain on employee future benefits		266	(864)
Gain on investments		(589)	(731)
Net finance costs	16	1,527	1,302
Loss on disposal of property, plant and equipment		92	210
		31,452	27,616
Changes in:			
Accounts receivable		(650)	(1,186)
Inventory		155	(195)
Other assets		144	(70)
Accounts payable and accruals		(2,729)	1,033
Accounts payable due to related parties		4,081	(2,284)
Customer deposits		(87)	(85)
Employee future benefits		(238)	(175)
		676	(2,962)
Interest received		681	937
Interest paid		(2,208)	(2,239)
		30,601	23,352
Cash flows from investing activities:			
Acquisition of investment		(3,225)	(1,225)
Proceeds from investments		1,100	698
Acquisition of property, plant and equipment	7	(22,895)	(23,981)
		(25,020)	(24,508)
Cash flows from financing activities:			
Decrease in amount owing to corporations under common control	17	(822)	(822)
		(822)	(822)
Net increase (decrease) in cash and cash equivalents		4,759	(1,978)
Cash and cash equivalents at January 1		5,122	7,100
Cash and cash equivalents at December 31		\$ 9,881	\$ 5,122

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

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WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements
(in thousands of Canadian dollars)

Year ended December 31, 2020

1. Reporting entity:

The Windsor Utilities Commission (the "Commission") is the public utility that owns the water treatment and distribution system that serves the City of Windsor (the "City"). The Commission also owns District Energy, a division, which supplies heating and cooling services to multiple buildings using a closed hot and cold water system. The Commission was established in 1935 under the City of Windsor Amalgamation Act. The Commission is a local board of the City pursuant to the Municipal Act. The address of the Commission's registered office is 4545 Rhodes Drive, Windsor, Ontario, Canada. The Commission has more than 75,000 residential and commercial customers in Windsor and two neighbouring municipal bulk water customers, the Town of LaSalle and the Town of Tecumseh.

On November 6, 2012, the Commission and ENWIN Utilities Ltd. ("ENWIN") entered into a Water System Operating Agreement ("WSOA"), whereby ENWIN agreed to provide services to the Commission with respect to operating the water treatment and distribution system and District Energy. The services include: management, administrative services, construction operations, and maintenance services. ENWIN is responsible for providing all personnel required to operate the water system and District Energy. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, the Commission transferred all non-unionized employees and all unionized employees of the Commission to ENWIN. ENWIN is indirectly 100% owned by the City.

2. Basis of preparation:

(a) Statement of compliance:

The Commission's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB").

(b) Approval of the financial statements:

The financial statements were approved by the Commission on April 28, 2021.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(c) Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following:

- (i) Where held, financial instruments at fair value through profit or loss, are measured at fair value.
- (ii) The accrued benefit related to the Commission's unfunded defined benefit plan is actuarially determined and is measured at the present value of the defined benefit obligation.

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Commission's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand dollars.

(e) Use of estimates and judgements:

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in these financial statements, include:

- (i) Note 3(h) – Determination of the performance obligation for deferred revenue – contributions from customers and the related amortization period
- (ii) Note 5 – Unbilled revenue: measurement of revenues not yet billed
- (iii) Note 7 – Property, plant and equipment: useful lives and the identification of significant components of property, plant and equipment
- (iv) Note 13 – Employee future benefits: measurement of the defined benefit obligation

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(e) Use of estimates and judgements (continued):

- (v) Note 18 – Financial instruments and risk management: valuation of financial instruments

Information about critical judgements in applying policies that have the most significant effect on the amounts recognized in the financial statements, include:

- (i) The Commission's determination that they are acting as a principal or agent to a transaction and their presentation of the transaction on a gross or net basis.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and investments with a maturity of approximately three months or less at the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as an investment.

(b) Financial instruments:

All financial assets and liabilities of the Commission are classified into one of the following categories: amortized cost; fair value through other comprehensive income; or fair value through income or loss.

The Commission has classified its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Investment	Fair value through income or loss
Accounts receivable	Amortized cost
Investment, sinking fund	Fair value through income or loss
Accounts payable and accruals	Amortized cost
Long-term borrowings	Amortized cost

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial instruments are recognized initially at amortized cost plus any directly attributable transaction costs.

Subsequent to initial recognition, financial instruments classified as fair value through income and loss are measured at fair value.

The Commission does not use derivative instruments.

The Commission derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Commission derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Fair value:

Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly; and

Level 3: inputs for assets and liabilities that are based on observable market value.

(d) Inventory:

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average basis and includes expenditures incurred in acquiring the material and supplies and other costs incurred in bringing them to their existing location and condition.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(e) Property, plant and equipment:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Commission and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

(iii) Depreciation:

Depreciation is recognized in income or loss on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Buildings	10 to 60 years
Distribution and metering equipment	7 to 75 years
Plant and water treatment equipment	15 to 60 years
District energy systems	5 to 40 years

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within other income in the statement of income.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognized in the statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of income.

(ii) Non-financial assets:

The carrying amounts of the Commission's non-financial assets, other than inventory and supplies, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss was recognized.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Impairment (continued):

(ii) Non-financial assets (continued):

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of income and are allocated to reduce the carrying amount of the assets in the cash-generating unit on a pro-rata basis.

(g) Employee future benefits:

(i) Pension plan:

The Commission provides a pension plan for all its retirees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, defined benefit pension plan established in 1962 by the Province of Ontario for employees of municipalities, local boards and school boards in Ontario. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable the Commission to account for the plan as a defined benefit plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income or loss when they are due. At December 31, 2020, the OMERS plan is in a deficit position.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(g) Employee future benefits (continued):

(ii) Employee future benefits, other than pension:

The Commission pays certain health, dental and life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees. These benefits are provided through a group defined benefit plan. The Commission is the legal sponsor of the plan. There is a policy in place to allocate the net defined benefit cost to the entities participating in the group plan. The allocation is based on the obligation attributable to the plan participants. The Commission has reflected its share of the defined benefit costs and related liabilities, as calculated by the actuary, in these financial statements.

The Commission accrues the cost of these retiree future benefits over the periods in which the employees earn the benefits. The accrued benefit obligations are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The Commission determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period, taking into account any changes in the net benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(h) Deferred revenue:

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide a new service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to water. The Commission has concluded that the performance obligation is the supply of water over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes water. Cash contributions are initially recorded as current liabilities. Once the distribution system asset is completed or modified as outlined in the terms of the contract, the contribution amount is transferred to a customers' capital contribution account.

When an asset is received as a capital contribution, the asset is initially recognized at its fair value, with the corresponding amount recognized in the customers' capital contribution account.

The customers' capital contribution account, which represents the Commission's obligation to provide the customers access to water, is reported as deferred revenue and is amortized to income on a straight-line basis over the economic useful life of the acquired or contributed asset.

(i) Revenue:

IFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

Revenue for the Commission is recognized when the Commission satisfies the performance obligations within the contract(s) for conditions of service, which is when the delivery of water is achieved or specific services are performed.

Revenue is measured at the fair value of the consideration received or receivable, net of any taxes which may be applicable.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Revenue (continued):

Revenue from distribution of water - revenue attributable to the delivery of water is based upon Commission approved distribution rates and includes the amounts billed to customers for connection and consumption. Revenue is recognized as water is delivered and consumed by customers. Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of water consumed by customers since the date of each customer's last meter reading. Actual water usage could differ from those estimates.

Revenue from District Energy – the Commission operates a district energy system where commercial heating and cooling services are provided to customers. Revenue is recognized when the heating and cooling has been provided to the customers.

Other income – work performed is recorded on a net basis as the Commission is acting as an agent for this revenue stream. All other amounts in other income are recorded on a gross basis and are recognized when services are rendered.

(j) Finance income and finance costs:

Finance income is recognized as it accrues in the statement of income, using the effective interest method.

Finance costs comprise interest expense on borrowings and amortizing of the discount rate on provisions.

(k) Set-off and reporting on a net basis:

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. For financial assets and financial liabilities, offsetting is permitted when, and only when, the Commission has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted:

The following standards which are not yet effective for the year ended December 31, 2020, have not been applied in preparing these financial statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

On May 14, 2020, the IASB issued *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)*.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early adoption is permitted.

The amendments provide guidance on the accounting for sale proceeds and the related production costs for items a company produces and sells in the process of making an item of property, plant and equipment (PPE) available for its intended use. Specifically, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On May 14, 2020, the IASB issued *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*.

The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. Early adoption is permitted.

IAS 37 does not specify which costs are included as a cost of fulfilling a contract when determining whether a contract is onerous. The IASB's amendments address this issue by clarifying that the 'costs of fulfilling a contract' comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of PPE used in fulfilling the contract.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

On January 23, 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify the classification of liabilities as current or non-current. On July 15, 2020, the IASB issued an amendment to defer the effective date by one year.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted (continued):

unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The Commission has assessed the potential impacts on its financial statements, and determined that the future pronouncements will not have a material impact on the Commission.

4. Cash and cash equivalents:

	2020	2019
Cash and cash equivalents	\$ 9,881	\$ 5,122
Cash and cash equivalents	\$ 9,881	\$ 5,122

The Commission has an agreement with a Canadian chartered bank for an operating line of credit in the amount of \$6,000 (2019 - \$6,000) bearing interest at prime minus 0.25%. The line of credit is unsecured.

5. Accounts receivable:

	2020	2019
Trade receivables	\$ 7,491	\$ 6,913
Unbilled revenue	5,120	5,085
Allowance for doubtful accounts	(55)	(92)
Accounts receivable	\$ 12,556	\$ 11,906

The Commission's exposure to credit risk and impairment losses related to trade receivables is disclosed in Note 18.

6. Inventory:

Inventory consists of parts and supplies acquired for internal construction, consumption or recoverable work.

The amount of inventory consumed by the Commission and recognized as an expense during 2020 was \$1,304 (2019 - \$1,110).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment:

(a) Cost:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2019	\$ 3,689	\$ 261,380	\$ 58,780	\$ 8,403	\$ 20,901	\$ 353,153
Additions	1	23,155	20,020	185	(18,496)	24,865
Disposals/retirements	-	(399)	-	-	-	(399)
Balance at December 31, 2019	\$ 3,690	\$ 284,136	\$ 78,800	\$ 8,588	\$ 2,405	\$ 377,619
Balance at January 1, 2020	\$ 3,690	\$ 284,136	\$ 78,800	\$ 8,588	\$ 2,405	\$ 377,619
Additions	98	25,067	285	285	1,580	27,315
Disposals/retirements	-	(176)	-	-	-	(176)
Balance at December 31, 2020	\$ 3,788	\$ 309,027	\$ 79,085	\$ 8,873	\$ 3,985	\$ 404,758

The Commission receives certain non cash customer contributions for subdivision and infrastructure projects, the total amount received by the Commission for the year ending December 31, 2020 was \$4,420 (2019 - \$884) and is included in additions.

(b) Accumulated depreciation:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2019	\$ 339	\$ 36,783	\$ 15,541	\$ 2,810	\$ -	\$ 55,473
Depreciation charge for the year	92	5,708	3,701	138	-	9,639
Disposals/retirements	-	(190)	-	-	-	(190)
Balance at December 31, 2019	\$ 431	\$ 42,301	\$ 19,242	\$ 2,948	\$ -	\$ 64,922
Balance at January 1, 2020	\$ 431	\$ 42,301	\$ 19,242	\$ 2,948	\$ -	\$ 64,922
Depreciation charge for the year	93	6,072	3,557	492	-	10,214
Disposals/retirements	-	(84)	-	-	-	(84)
Balance at December 31, 2020	\$ 524	\$ 48,289	\$ 22,799	\$ 3,440	\$ -	\$ 75,052

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment (continued):

(c) Carrying amounts:

		Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in- progress	Total
December 31, 2019	\$	3,259	241,835	\$ 59,558	\$ 5,640	\$ 2,405	\$ 312,697
December 31, 2020	\$	3,264	260,738	\$ 56,286	\$ 5,433	\$ 3,985	\$ 329,706

8. Investment:

In 2014, a sinking fund was established with the intent to ensure sufficient funds are available to settle the long-term borrowings of the Commission issued November 6th, 2012 with a maturity date of November 6th, 2042 in the amount of \$52,000. Annual payments are expected to be completed to satisfy the obligation.

Investments are recorded at fair value as of December 31, 2020, and are invested in fixed income and equity markets as established by the Commission's investment policy.

	2020			2019		
	Fixed Income	Equity	Total	Fixed Income	Equity	Total
Investment	\$ 10,829	\$ -	\$ 10,829	\$ 9,756	\$ -	\$ 9,756
Investment, sinking fund	8,325	2,899	11,224	7,728	1,855	9,583
	\$ 19,154	\$ 2,899	\$ 22,053	\$ 17,484	\$ 1,855	\$ 19,339

9. Accounts payable and accruals:

	2020	2019
Trade payables	\$ 4,062	\$ 7,290
Accrued expenses	1,737	1,238
	\$ 5,799	\$ 8,528

Information about the Commission's exposure to currency and liquidity risk is included in Note 18.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

10. Customer deposits:

Customer deposits represent cash deposits from water distribution commercial customers.

Customer deposits comprise:

	2020	2019
Customer deposits	\$ 374	\$ 461
Less: current portion	(96)	(101)
	\$ 278	\$ 360

11. Deferred revenue – customer contributions:

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue from customers is \$13,832 (2019 - \$9,620). Deferred revenue is recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

12. Long-term borrowings:

Long-term borrowings comprise:

	2020	2019
Revolving loan payable requiring interest payments only of \$2,150 until maturity on November 6, 2042. The loan is unsecured and bears interest at an effective interest rate of 4.134%.	\$ 52,000	\$ 52,000
Less: Unamortized debt issuance costs	(603)	(619)
	\$ 51,397	\$ 51,381

The revolving loan is due to Windsor Canada Utilities Ltd. ("WCUL"), a 100% owned subsidiary of the Corporation of the City of Windsor. On November 6, 2012, WCUL issued a \$103,000 debenture from which proceeds of \$52,000 were advanced to the Commission under this loan agreement. As a condition of the debentures issued by WCUL and loan to the Commission, the Commission provided a limited recourse guarantee in favour of the debenture holders in the amount of \$52,000. The Commission incurred interest expense in respect of the loan of \$2,150 (2019 - \$2,150).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Employee future benefits:

The Commission pays certain health, dental and life insurance benefits on behalf of its retired employees. Significant assumptions underlying the actuarial valuation include the Commission's best estimate of the interest (discount) rate, expected health and dental care costs, on the advice of the actuaries.

The Commission measures its accrued benefit liability for accounting purposes as at December 31 each year. A valuation date of December 31, 2019, with extrapolation to December 31, 2020, has been used to calculate the current liability. The Commission's employee future benefit liability consists of the following:

	2020	2019
Accrued benefit liability	\$ 4,579	\$ 4,431
Workers compensation liability	86	206
	<u>\$ 4,665</u>	<u>\$ 4,637</u>

Information about the Commission's unfunded defined benefit plan is as follows:

Changes in the present value of the defined benefit liability:

	2020	2019
Defined benefit liability, beginning of year	\$ 4,431	\$ 5,356
Interest cost	134	208
Actuarial loss (gain) on liability recognized in other comprehensive gain	266	(864)
Benefits paid for the year	(252)	(269)
Defined benefit liability, end of year	<u>\$ 4,579</u>	<u>\$ 4,431</u>

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Employee future benefits (continued):

Components of net benefit expense recognized are as follows:

	2020		2019	
Interest cost	\$	134	\$	208
Total benefit expense recognized	\$	134	\$	208

The main actuarial assumptions underlying the valuation are as follows:

(a) Health care cost trend rates:

The health care cost trend for prescription drugs is estimated to increase at 6.4% in 2021 grading down to 4.0% by 2041. Other health expenses are estimated to increase at 4.95% grading down to 4.0% by 2041. Dental expenses are estimated to increase at 4.0% per year.

(b) Discount rate:

The liability at the period end and the present value of future liabilities were determined using a discount rate of 2.6% (2019 – 3.1%) representing an estimate of the yield on high quality corporate bonds as at the valuation date.

(c) Mortality decrement:

Assumptions regarding future mortality rates are based on published statistics and mortality tables.

A 1% or one year change in actuarial assumptions, assuming all other factors remain constant, have the following impact on the defined benefit liability carrying amount:

	December 31, 2020		December 31, 2019	
	Increase	Decrease	Increase	Decrease
Health care trend rate (1% change)	\$ 531	\$ (447)	\$ 470	\$ (398)
Discount rate (1% change)	(491)	594	(472)	571
Mortality (1 year)	259	(247)	223	(213)

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Revenue:

The Commission generates revenue primarily from the sale and distribution of water to its customers. Other sources of revenue include revenue from District Energy and Other income. Additional information is provided in Note 15 detailing the components of Other income.

In the following table, revenue from distribution of water is disaggregated by component:

	2020	2019
Fixed revenue	\$ 19,042	\$ 18,300
Consumption revenue	16,695	16,443
Suburban wholesale revenue	3,394	3,274
Water main levy	16,082	15,636
Total revenue from distribution of water	\$ 55,213	\$ 53,653

15. Other income:

Other income comprises:

	2020	2019
Water billing and customer care charges	\$ 108	\$ 115
Collection and late payment charges	61	70
Development and miscellaneous charges	1,229	718
Loss on disposal of property, plant and equipment	(92)	(210)
Total other income	\$ 1,306	\$ 693

16. Finance expense (income):

	2020	2019
Finance income:		
Interest income on investment	\$ (589)	\$ (731)
Interest income on bank balances	(92)	(206)
	(681)	(937)
Finance expense:		
Interest expense on long-term borrowings	2,150	2,150
Discount on long-term borrowings	16	16
Interest paid to related parties	58	89
	2,224	2,255
Net finance expense	\$ 1,543	\$ 1,318

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions:

(a) Parent and ultimate controlling party:

The parent is the Corporation of the City of Windsor. The City produces financial statements that are available for public use.

(b) Key management personnel:

The key management personnel of the Commission has been defined as members of its Board of Commissioners. The executive management team members are employees of ENWIN and allocated to the Commission based on a shared services model. These allocated costs are disclosed in Note 17 (d).

Key management compensation:

	2020	2019
Salaries and other short-term benefits	\$ 65	\$ 62
	\$ 65	\$ 62

(c) Transactions with parent:

The City tenders and contracts for capital watermain projects and road repairs on behalf of the Commission. The total amount charged to the Commission for the year ending December 31, 2020 was \$7,305 (2019 - \$8,918).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(d) Transactions with entities under common control and parent company:

WSOA:

The Commission and ENWIN agreed under the WSOA, that ENWIN would provide all operational, management, administrative, maintenance and construction services for the Commission as required to operate the water distribution system including District Energy. Under the WSOA, ENWIN prepares the Water System Financial Plans, operating expense plans and capital plans with respect to the Commission's business as required to operate, maintain, administer and invest in the Commission and its facilities. The Commission reviews the plans on the basis of whether ENWIN, upon executing the plan will be compliant with the terms and conditions of the Water System Financial Plan, the WSOA and applicable laws, permits and material contracts.

The Commission has agreed to reimburse ENWIN for all operational and capital expenses on a fully allocated cost basis. All employees required to operate the water distribution system, including District Energy, as well as the key management employees are retained by ENWIN. The Commission incurs staffing costs associated with the allocation of these employees however does not have any employee obligations except the Commission's retirees and the long term receivable for the past service costs related to post retirement benefits on the transfer of employees as established in the Employee Arrangement Agreement.

Under the WSOA, the total amount allocated and charged to the Commission for the year ended December 31, 2020 was \$18,850 (2019 - \$19,689).

The key management personnel allocated by the shared services model under the WSOA, to the Commission are executive management team members of ENWIN.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(d) Transactions with entities under common control and parent company (continued):

WSOA (continued):

Allocated key management compensation:

	2020	2019
Allocated salaries and other short-term benefits	\$ 629	\$ 595
Post-employment benefits	17	8
	\$ 646	\$ 603

(e) Amounts due to related parties:

Accounts payable due to related parties consist of:

	2020	2019
Due to company under common control:		
Due to ENWIN Utilities Ltd.	\$ 1,408	\$ 477
Due to Windsor Canada Utilities Ltd.	40	8
Due to parent:		
Due to the Corporation of the City of Windsor	4,165	1,047
	\$ 5,613	\$ 1,532

The amounts due to ENWIN, WCUL and the City are due on demand and are non-interest bearing.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(e) Amounts due to related parties (continued):

Long-term payable due to related parties consist of:

	2020	2019
Due to ENWIN Utilities Ltd.	\$ 1,233	\$ 2,055
Less: Current portion, included in accounts payable to related parties	(822)	(822)
	\$ 411	\$ 1,233

This long-term payable is non-interest bearing and resulted from the Employee Arrangement Agreement and is amortized over the estimated average remaining service life at the time of the agreement which was 9.5 years payable each November.

18. Financial instruments and risk management

The carrying values of cash and cash equivalents, investments, accounts receivable, accounts payable and accruals approximate fair values because of the short maturity of these instruments. All fair values are categorized as Level 1 in the fair value hierarchy. No transfers have occurred during the year between levels of the fair value hierarchy.

The following table illustrates the classification of the Commission's financial instruments using the fair value hierarchy as at December 31:

	2020			2019		
Assets	Level 1	Level 2	Total	Level 1	Level 2	Total
Investment	\$ -	\$ 10,829	\$ 10,829	\$ -	\$ 9,756	\$ 9,756
Investment, sinking fund	2,899	8,325	11,224	1,855	7,728	9,583
	\$ 2,899	\$ 19,154	\$ 22,053	\$ 1,855	\$ 17,484	\$ 19,339

The Commission's activities provide for a variety of financial risks, particularly credit risk, market risk, liquidity risk, currency and interest rate risk.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(i) Credit risk:

The aging of trade receivables at the reporting date was:

	2020	2019
Not past due	\$ 9,619	\$ 10,635
Past due 0 – 30 days	1,154	932
Past due 31 – 90 days	740	175
Greater than 90 days	1,098	256
	<u>\$ 12,611</u>	<u>\$ 11,998</u>

The carrying amount of the Commission's financial assets represent the maximum credit exposure.

Financial assets carry credit risk that a counter-party will fail to discharge an obligation which would result in a financial loss. Financial assets held by the Commission, such as accounts receivable, expose it to credit risk. The Commission earns its revenue from a broad base of customers located in the City of Windsor and two neighbouring municipalities. One customer accounted for 12% (2019 - 12%) of revenue. No other single customer in either year would account for revenue in excess of 5% of the respective reported balances.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in the statement of income and other comprehensive income. Subsequent recoveries of receivables previously provisioned are credited to the statement of income. The balance of the allowance for impairment at December 31, 2020, is \$55 (2019 - \$92). Two customers accounted for greater than 10% of the accounts receivable at year end (2019 - one customer accounted for greater than 10%).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(i) Credit risk (continued):

A continuity of the allowance for impairment amount is as follows:

	2020	2019
Balance, beginning of year	\$ 92	\$ 95
Accounts receivable balance write-offs	12	21
Change in provision for doubtful accounts	(49)	(24)
Balance, end of year	\$ 55	\$ 92

The Commission's credit risk associated with accounts receivable is primarily related to payments from customers for recoverable work. At December 31, 2020, approximately \$58 (2019 - \$94) is considered 90 days past due.

Credit risk is managed through collection of security deposits from contractors. As at December 31, 2020, the Commission holds security deposits in the amount of \$331 (2019 - \$476) and is included in accounts payable on the balance sheet.

(ii) Market risk:

Market risks primarily refer to the risk of loss that results from changes in commodity prices, foreign exchange rates, and interest rates. The Commission is exposed to market risks within the investment portfolio. A portion of the portfolio is invested in equities which are subject to market volatility. For sensitivity purposes, a 1% change would result in a change of \$29 (2019 - \$19) on the balance sheet and statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(iii) Liquidity risk:

Liquidity risk is the risk that the Commission will not be able to meet its obligations associated with financial liabilities. The Commission monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Commission's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest expense. The Commission has access to a line of credit and monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

The following are the contractual maturities of financial liabilities including estimated interest payments:

December 31, 2020	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 5,799	\$ -	\$ -	\$ -	\$ -	\$ 5,799
Accounts payable to related parties	4,791	822	-	-	-	5,613
Customer deposits	24	24	48	278	-	374
Long-term payables to corporations under common control	-	-	411	-	-	411
Long-term borrowings	-	-	-	52,000	(603)	51,397
	\$ 10,614	\$ 846	\$ 459	\$ 52,278	\$ (603)	\$ 63,594

December 31, 2019	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 8,528	\$ -	\$ -	\$ -	\$ -	\$ 8,528
Accounts payable to related parties	710	822	-	-	-	1,532
Customer deposits	25	26	50	360	-	461
Long-term payables to corporations under common control	-	-	822	411	-	1,233
Long-term borrowings	-	-	-	52,000	(619)	51,381
	\$ 9,263	\$ 848	\$ 872	\$ 52,771	\$ (619)	\$ 63,135

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(iv) Capital disclosures:

The main objectives of the Commission when managing capital are to ensure ongoing access to funding to maintain and improve the water distribution system and ensure adequate cost recovery.

The Commission's debt to equity ratio at the end of the reporting period was:

	2020	2019
Total liabilities	\$ 82,091	\$ 77,392
Total equity	292,816	272,682
Debt to equity ratio at December 31	0.28	0.28

The Commission has customary covenants typically associated with long-term debt. The Commission is in compliance with all credit agreement covenants and limitations associated with its long-term debt.

(v) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission is subject to variable interest rate cash flow risk with respect to its investments. The Commission has addressed this risk by entering into fixed interest rates on invested funds and debts.

(vi) Currency risk:

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is exposed to currency risk through its foreign currency denominated bank and investment accounts. A weakening or strengthening of the Canadian dollar can affect the cash flows. This risk is monitored by investment managers and the exposure is limited to these accounts. For sensitivity purposes, a 1% change in the Canadian dollar would result in a change of \$17 (2019 - \$11) on the balance sheet and the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

19. Commitments and contingencies:

Commitments

Contractual Obligations

At year end, the Commission is committed to capital projects of approximately \$3,974 (2019 - \$1,192). These capital projects continue the investment in the Commission's watermain infrastructure throughout the City of Windsor. These project contracts were awarded in 2020 and will be completed during the next reporting period.

Contingencies

General

From time to time, the Commission is involved in various litigation matters arising in the ordinary course of its business. The Commission has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Commission's financial position, results of operations or its ability to carry on any of its business activities.

20. Effects of COVID-19:

On March 11, 2020, the World Health Organization characterized the COVID-19 outbreak as a pandemic. The impact of the outbreak on the financial results of the Commission will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The federal government of Canada has implemented various government programs to respond to the negative economic impacts of COVID-19. The continued development and impact of COVID-19 on the Commission and the overall economy are highly uncertain and cannot be determined at this time. Management is actively monitoring the situation.



Water



Imagination



Quality
of
Life



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WATER + RELIABILITY = ESSENTIAL

DELIVERING A VITAL, ESSENTIAL SERVICE
TO OUR COMMUNITY IS A RESPONSIBILITY
WE TAKE SERIOUSLY.

In 2020, Windsor Utilities Commission (WUC) had an opportunity to demonstrate the level and substance of our commitment to this duty as COVID-19 emerged and developed. It quickly became clear that we needed to take immediate action to ensure the safety and reliability of our water supply no matter what the pandemic might send our way.

We implemented a flexible, innovative plan – one that took into consideration a variety of potential, perhaps unthinkable, outcomes. We are proud to say that we rose to the challenge, putting in place measures to protect both employees and the public under any circumstance.

We developed COVID-19 safety protocols and work schedules; equipped, educated and protected employees; and outfitted our plant for 24-hour on-site presence, should it be required. We increased customer communications; tailored payment plans to meet the financial needs of those who struggled; and authorized ENWIN to implement two temporary moratoriums on disconnection to address community financial challenges associated with the provincial lockdowns that impacted Windsor-Essex.

As always – despite the challenges – ENWIN's leaders met their obligation to deliver a safe, reliable source of water to sustain our daily lives. Even as they devised and implemented new plans and arrangements to keep everyone safe, they successfully addressed a complex, ongoing agenda of daily duties. In doing so, they achieved 82% of the capital plan for 2020, despite the restrictions imposed by COVID-19.

We recognize that our responsibilities – to design and maintain the safety and high quality of the drinking water, and to conduct the testing needed to keep our community safe – do not end when a pandemic starts. This is why we continued to focus on capital investments that support system safety and sustainability, replacing 18.7 km of aging water mains, 1,815 water meters and 1,356 lead services this year.

Even as we implemented our pandemic measures, we analyzed 68 residential and non-residential water samples for lead content – 23 percent beyond the number required to maintain our municipal drinking water license. With support from the Commissioners and the

City of Windsor, we are now two years ahead of schedule in removing the WUC-owned lead services from our system. We expect to complete this work by 2026.

Windsor, Tecumseh and LaSalle residents can rest assured that our water supply is protected by an ongoing planning process with a focus on providing safe, potable water to meet both business and residential needs. This process continues, and will continue, despite the impacts of COVID-19.

We are proud that, throughout the pandemic, we have continued to deliver water that exceeds Ontario's water quality standards. We will maintain our focus on the safety and quality of our water – and the well-being of our customers – now and in the future.

Sincerely,



Mayor Drew Dilkens
Board Chair
WUC



Garry Rossi
VP Water Operations
EWU



updated
pipes

expert
workers

= water
flows!

ENWIN water workers make repairs to
underground infrastructure, pre-COVID-19.

MISSION VISION AND VALUES

At Windsor Utilities Commission our mission is to provide safe and reliable energy and water services in a cost effective, sustainable manner.

A core premise of our Strategic Direction is that our service model is undergoing significant transformation — taking on a more decentralized, customer-centric, technologically advanced and environmentally sustainable form. Throughout 2020, we focused on this mission.

Sustainability means different things to different people.

To WUC, it means ensuring that we have the human, fiscal and capital asset resources to continue to provide existing and modernized service levels to the community. We must also assess our environmental footprint to make certain that we are balanced in our use of resources.

Our vision is to be a trusted leader in providing exceptional value and services to our customers and stakeholders.

As the energy and water needs and options of our customers and our community evolve — and as signature projects and developments proceed — WUC will play a leading role in helping our city to become a smart energy centre with a reliable, potable water system.

We embrace our role in water distribution and will continue our service to community, as we continue to develop redundancy in the system to ensure water system resiliency.

“We strive to be exceptional in all that we undertake on behalf of our stakeholders.”

Our Mission

To provide safe and reliable energy and water services in a cost effective, sustainable manner.

Our Vision

To be a trusted leader in providing exceptional value and services to our customers and stakeholders.

Our Core Values

Leadership • Accountability • Integrity

Leadership + accountability
+ integrity = WUC

WUC = LEADERSHIP, ACCOUNTABILITY AND INTEGRITY.

We are committed to the organizational values of leadership, accountability and integrity. These values are reflected in our Employee Code of Conduct and Conflict of Interest policies, our organizational structure and our transparent reporting of results and challenges.

Our Boards of Directors and our Senior Management Team support an environment that fosters and demonstrates ethical business conduct at all levels and reflects these shared values. Every employee must lead by example.

WUC = CONSIDERATION FOR STAKEHOLDERS.

We take into account the interests of all our stakeholders, including employees, customers, suppliers, our shareholder and the communities and environment in which we operate.

WUC = VALUING EMPLOYEES.

Our strengths are the quality and diverse experiences of our workforce. We will strive to hire and retain the best qualified people available and to maximize their opportunities for success. We are committed to maintaining a safe, secure and healthy work environment, enriched by diversity and characterized by open communication, trust and fair treatment.

WUC = PUTTING CUSTOMERS FIRST.

Our continued success depends on the quality of our customer interactions and we are committed to delivering value across the entire customer experience. We are honest, open and fair in our relationships with our customers. We provide reliable, responsive and innovative products and services in compliance with legislated rights and standards for access, safety, health and environmental protection.

A.J. Brian and J.F. Cook Fuel System Upgrades - removal of underground fuel tank.

WUC = FAIR, HONEST RELATIONSHIPS.

We are honest and fair in our relationships with our suppliers and contractors. We purchase equipment, supplies and services on the basis of merit, utilizing our professional procurement policy. We pay suppliers and contractors in accordance with agreed terms, encourage them to adopt responsible business practices and require them to adhere to health, safety and environmental standards when working for ENWIN.

WUC = RESPECT FOR COMMUNITY AND ENVIRONMENT.

We are committed to being responsible corporate citizens and will contribute to making the communities in which we operate better places to live and do business. We are sensitive to the community's needs and dedicated to protecting and preserving the environment in which we operate.

WUC = ACCOUNTABILITY.

We are financially accountable to our shareholder and to the institutions that underwrite our operations. We communicate to them all matters that are financially material to our organization. We protect our shareholder's investment and manage risks effectively. We communicate to our shareholder all matters that are material to an understanding of our corporate governance.



WUC INTRODUCTION

In 2020, WUC produced 38,362 megalitres of potable water for use by the citizens of the City of Windsor, the Town of LaSalle and the Town of Tecumseh.

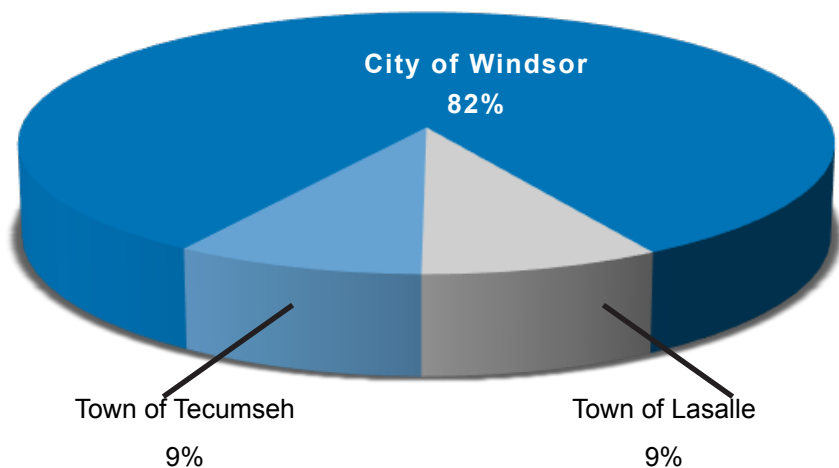
The summary contained in Appendix A, Table 1, provides a detailed breakdown of the monthly production rates, including the average day, peak day and peak hour for each of the months. The volume of water transferred to the Town of LaSalle and the Town of Tecumseh is also provided.

Under the Municipal Drinking Water License and Ontario Reg. 170/03 there are a number of Schedules that outline the requirements for compliance with the Safe Drinking Water Act (SDWA). This report highlights the requirements of the applicable section of the regulation, along with a statement of compliance or if applicable, specific areas of non-compliance with the schedule requirements.

2020 Total Treated Water by Municipality

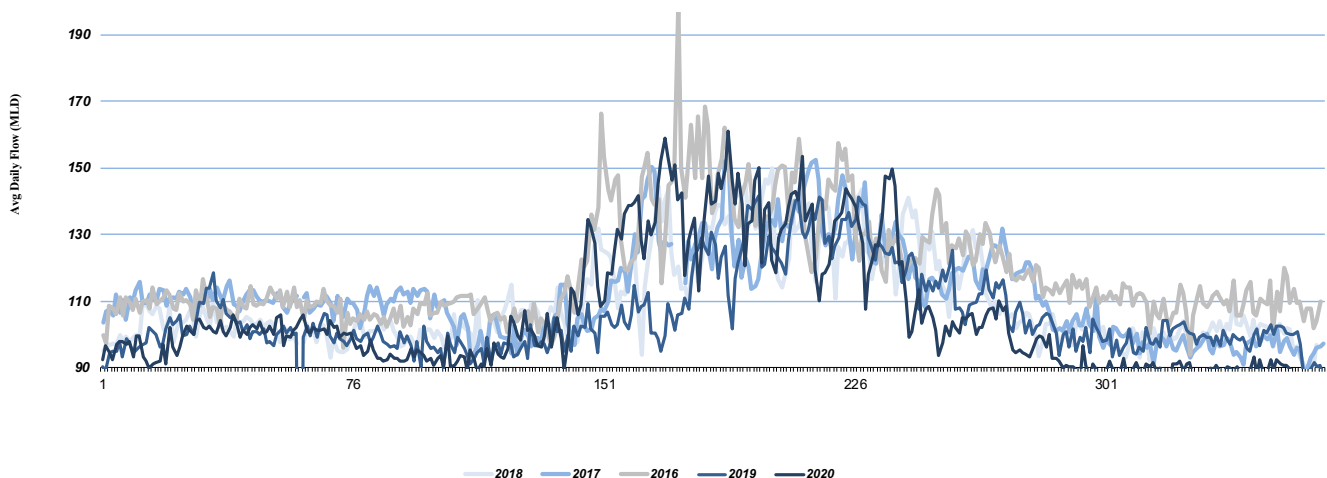
Volumes reported in megalitres (ML)

Town of LaSalle	Town of Tecumseh	City of Windsor
3454.3	3405.6	31502.5



Percentage of water delivered to each served Municipality.

Chart 3: 2016-2020 Volume of Approved Capacity (349 ML Maximum Approved Capacity)



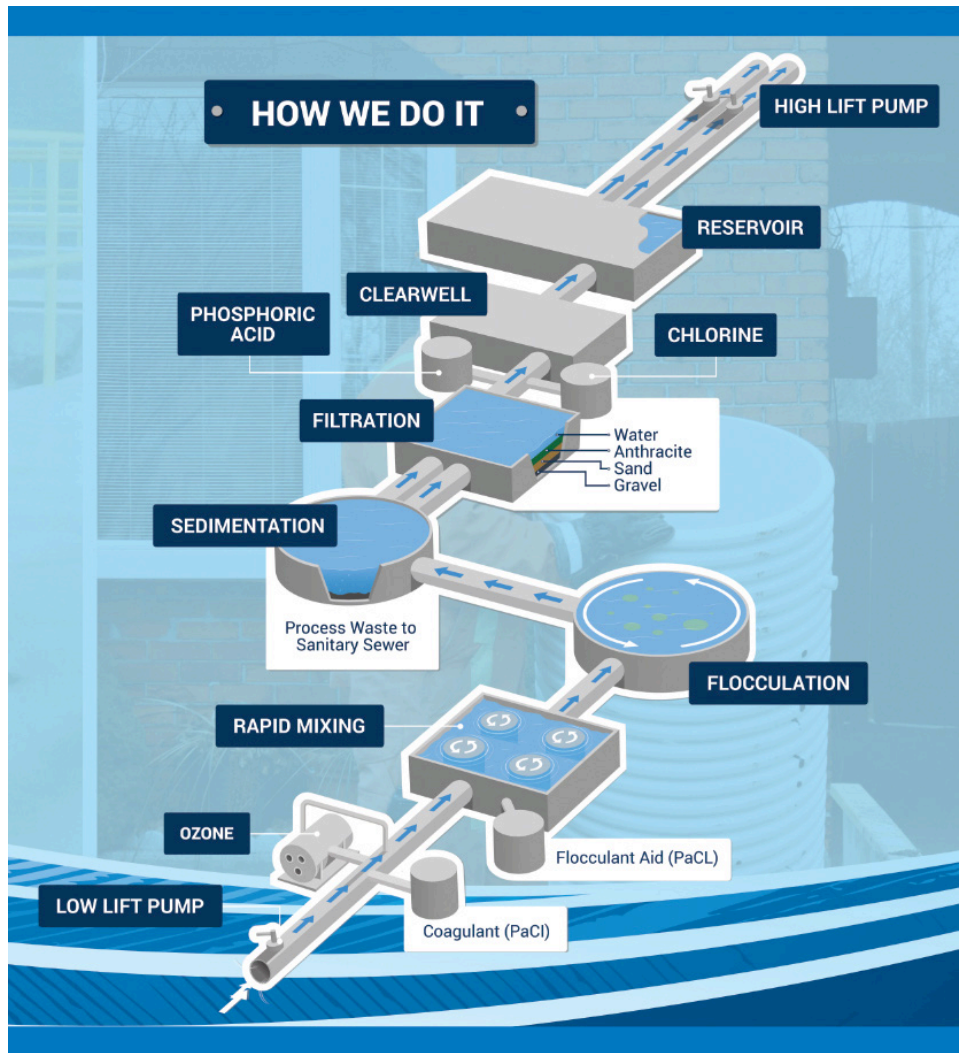
TREATMENT EQUIPMENT

O.Reg 170/04, Schedule 1 dictates that the owner of a drinking water system shall ensure that approved water treatment equipment, as specified in the Drinking Water Works Permit, is in operation whenever water is being supplied for potable use.

Further, the regulation requires that the equipment be operated in a manner that achieves its design capabilities and that only certified operators carry out operation of the system.

In the calendar year 2020, WUC complied fully with this section of the regulations.

Chart 3 (page 5) depicts WUC's average daily water flow for the 2020 calendar year. Of particular note is the approved 349 ML daily maximum treatment capacity of WUC's treatment plants. As illustrated in the chart, WUC is operating well within the approved limits of its license and permit.



An illustration of the water treatment process at the A.H. Weeks Water Treatment Plant.

OPERATIONAL CHECKS SAMPLING & TESTING

O.Reg 170/03, Schedule 6 outlines:

- The frequency of sampling and testing requirements;
- The requirement for chlorine residual testing to be carried out at the time microbiological samples are collected;
- The location at which samples are to be collected;
- The form of sampling to be undertaken;
- The requirements for continuous monitoring equipment;
- Clarification of how samples are to be handled and recorded; and
- The need for an appropriately accredited laboratory to carry out the sample analysis.

In the calendar year 2020, WUC complied fully with this section of the regulations.

OPERATIONAL CHECKS

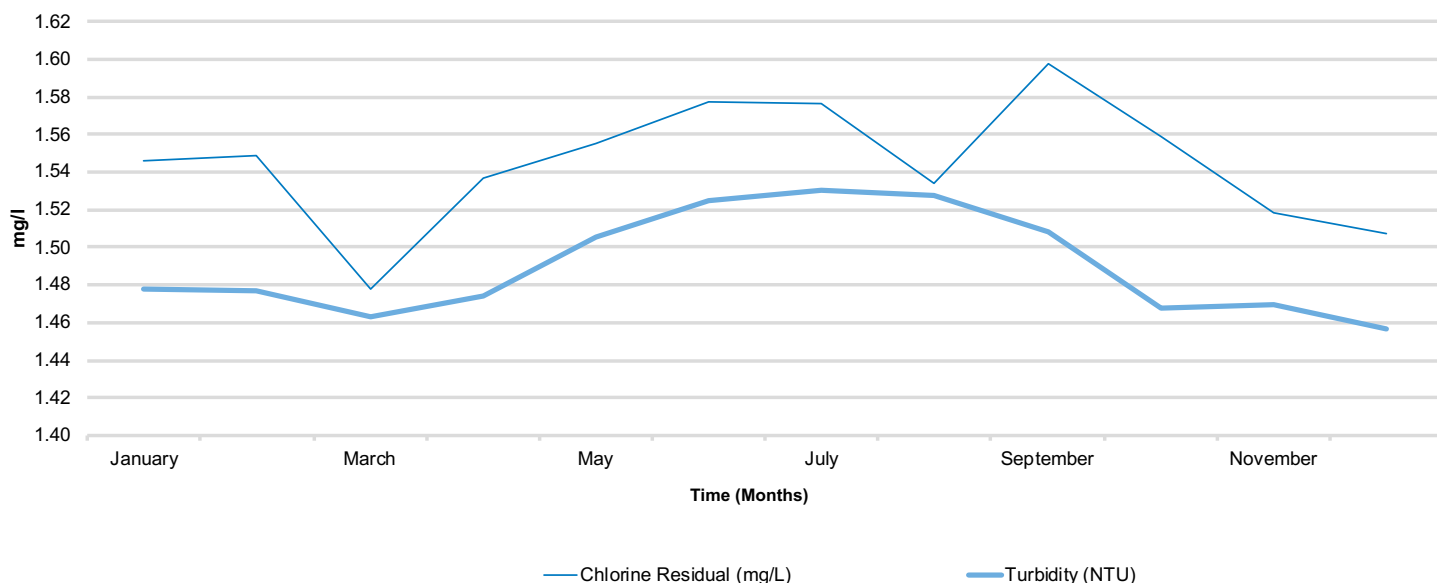
O.Reg 170/03, Schedule 7 specifies the requirements for continuous monitoring of equipment for free chlorine residual, turbidity and fluoride, and the required location for monitoring equipment. The regulation dictates the requirement for regular collection and analysis of samples by an appropriately certified individual. The chart below summarizes the results for the parameters mentioned above.

In the calendar year 2020, WUC complied fully with this section of the regulations.



A.H. Weeks Filter Bed Rehabilitation
Coating system being applied to Filter #7.

Chart 4: 2020 Operational Trends



MICROBIOLOGICAL SAMPLING AND TESTING

O.Reg 170/03, Schedule 10 provides the requirements for sampling and testing of microbiological parameters.

The schedule states that for large municipal systems serving a population of more than 100,000 people the required monthly frequency of sampling is 100 distribution samples plus one additional sample for every 10,000 people served, with at least three samples being taken in each week.

Each of these samples are to be tested for Escherichia coli and total coliform, with a requirement that at least 25 per cent of the samples be tested for general bacteria population, expressed as colony

counts on a heterotrophic plate count. Windsor's required sampling frequency is 130 samples monthly.

In 2020, 1,870 samples were collected and analyzed — an average of 156 samples per month. Approximately 52 per cent of the distribution samples were also analyzed for heterotrophic plate count. In addition, each sample was tested for free chlorine residual at the time the sample was taken.

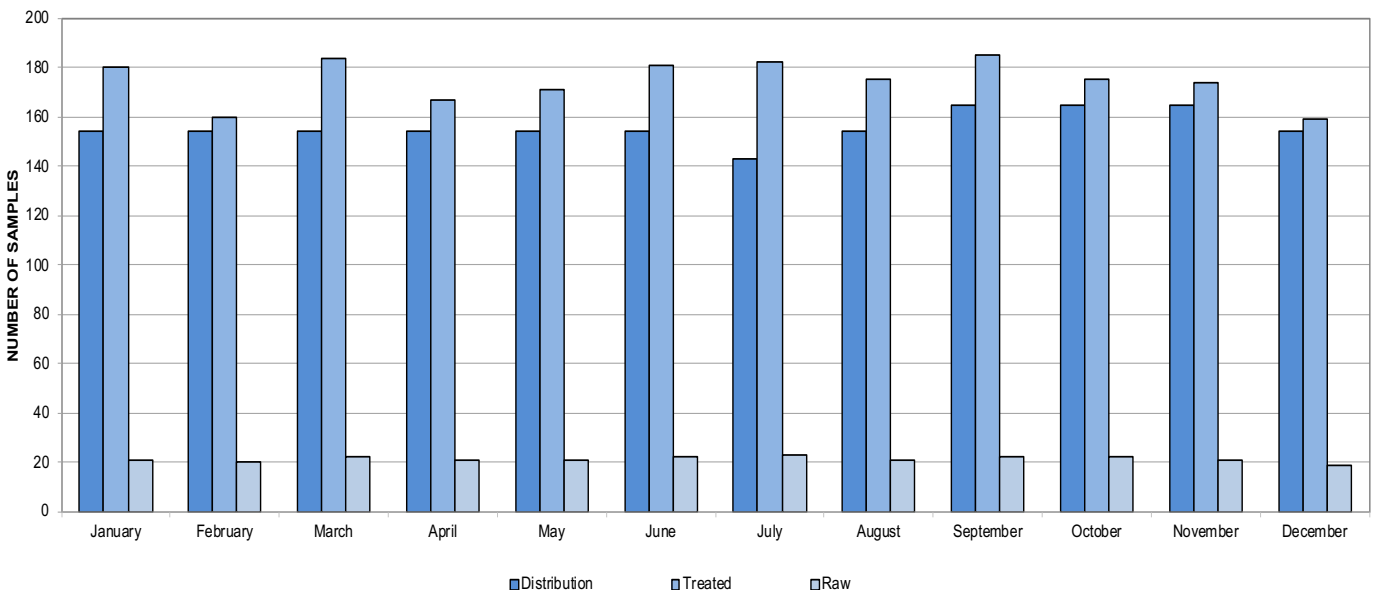
Schedule 10 states that a treated water sample must be taken at least once per week and tested for Escherichia coli, total coliform and general bacteria population, expressed as colony counts on a heterotrophic plate count. Windsor's treated water samples were generally collected on a daily basis and

were tested by an accredited third-party laboratory.

The schedule further states that a raw water sample must be taken at least once per week before any treatment is applied to the water, and that the sample be tested for Escherichia Coli and total coliform. Samples were collected and tested on average five days per week. Chart 5 (below) indicates the number of samples taken on a monthly basis.

*Testing + Sampling
= Safety*

Chart 5: Microbiological Sample Count



CHEMICAL SAMPLING AND TESTING

O.Reg 170/04, Schedule 13 provides the requirements for sample collection and testing for a variety of chemical components in drinking water. Additionally, it lists the Maximum Acceptable Concentration (MAC) for each component. The requirements are outlined below, along with the status of Windsor's sampling program.

Inorganics

One sample must be collected every 12 months if the source is surface water and tested for every parameter set out in Schedule 23. (See page 10 for Table 13.2)

ENWIN, on behalf of WUC, collected samples and tested for lead in treated water and distribution samples on a quarterly basis.

In 2020, ENWIN, on behalf of WUC, collected and tested samples for every parameter set out in Schedule 23 on a quarterly basis.

Organics

One sample must be collected every 12 months, if the source is surface water, and tested for every parameter set out in Schedule 24. (See page 11 for Table 13.3)

During 2020, on behalf of WUC, ENWIN collected samples and tested for every parameter set out in Schedule 24 on a quarterly basis.

Trihalomethane (THM's)

For any system that provides chlorination, one distribution sample must be collected and tested for trihalomethanes every three months. (See page 11 for Table 13.3)

ENWIN, on behalf of WUC, collected samples and tested for trihalomethanes on a quarterly basis.

Bromates

For the system that provides ozonation as primary disinfection, one treated water sample must be collected monthly from each Water Treatment Plant. (See Table 13.1 below)

Lead

One sample must be collected and tested every 12 months for Lead. (See page 10, Table 13.2)

ENWIN, on behalf of WUC, collected samples and tested for lead in treated water and distribution samples on a quarterly basis.

Table 13.1 - Bromate Sample Results

Date of legal instrument issued	Parameter	Date Sampled	Running Annual Average Result	Unit of Measure
MDWL 025-101	Bromate - Treated	1-Jan-20 to 31-Dec-20	0.004	mg/L
MDWL 025-101	Bromate - Distribution	1-Jan-20 to 31-Dec-20	0.004	mg/L

Nitrates and Nitrites

The owner of a drinking water system (WUC) and the operating authority for the system (ENWIN) must ensure that at least one water sample is taken every three months and tested for nitrate and nitrite. (See Table 13.2 below)

ENWIN, on behalf of WUC, collected samples and tested for nitrates and nitrites on a quarterly basis.

Sodium

Schedule 13 stipulates that at least one water sample is taken every 60 months and tested for sodium. (See Table 13.2 below)

ENWIN, on behalf of WUC, collected samples and tested for sodium on January 8, 2020.



New 24" Horizontal Gate Valve in a concrete chamber at the intersection of California and College.

Table 13.2 – Inorganics, Lead, Nitrates, and Sodium Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Antimony	14-Oct-20	0.00014	mg/L	NO
Arsenic	14-Oct-20	0.0004	mg/L	NO
Barium	14-Oct-20	0.0155	mg/L	NO
Boron	14-Oct-20	0.014	mg/L	NO
Cadmium	14-Oct-20	0.000003 <MDL	mg/L	NO
Chromium	14-Oct-20	0.00014	mg/L	NO
*Lead	14-Oct-20	0.00001 <MDL	mg/L	NO
Mercury	14-Oct-20	0.00001 <MDL	mg/L	NO
Selenium	14-Oct-20	0.00012	mg/L	NO
Sodium	8-Jan-20	7.33	mg/L	NO
Uranium	14-Oct-20	0.000068	mg/L	NO
Fluoride	8-Jan-20	0.1	mg/L	NO
Nitrite	14-Oct-20	0.003 <MDL	mg/L	NO
Nitrate	14-Oct-20	0.226	mg/L	NO

*Vigilance + Diligence
= Results*

Table 13.3 – Organics, THM's and HAA's Sample Results

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Alachlor	14-Oct-20	0.00002 <MDL	mg/L	NO
Atrazine + N-dealkylated metabolites	14-Oct-20	0.00002	mg/L	NO
Azinphos-methyl	14-Oct-20	0.00005 <MDL	mg/L	NO
Benzene	14-Oct-20	0.00032 <MDL	mg/L	NO
Benzo(a)pyrene	14-Oct-20	0.000004 <MDL	mg/L	NO
Bromoxynil	14-Oct-20	0.00033 <MDL	mg/L	NO
Carbaryl	14-Oct-20	0.00005 <MDL	mg/L	NO
Carbofuran	14-Oct-20	0.00001 <MDL	mg/L	NO
Carbon Tetrachloride	14-Oct-20	0.00017 <MDL	mg/L	NO
Chlorpyrifos	14-Oct-20	0.00002 <MDL	mg/L	NO
Diazinon	14-Oct-20	0.00002 <MDL	mg/L	NO
Dicamba	14-Oct-20	0.00020 <MDL	mg/L	NO
1,2-Dichlorobenzene	14-Oct-20	0.00041 <MDL	mg/L	NO
1,4Dichlorobenzene	14-Oct-20	0.00036 <MDL	mg/L	NO
1,2-Dichloroethane	14-Oct-20	0.00035 <MDL	mg/L	NO
1,1-Dichloroethylene (vinylidene chloride)	14-Oct-20	0.00033 <MDL	mg/L	NO
Dichloromethane	14-Oct-20	0.00035 <MDL	mg/L	NO
2,4-Dichlorophenol	14-Oct-20	0.00015 <MDL	mg/L	NO
2,4-Dichlorophenoxy acetic acid (2,4-D)	14-Oct-20	0.00019 <MDL	mg/L	NO
Diclofop-methyl	14-Oct-20	0.0004 <MDL	mg/L	NO
Dimethoate	14-Oct-20	0.00006 <MDL	mg/L	NO
Diquat	14-Oct-20	0.001 <MDL	mg/L	NO
Diuron	14-Oct-20	0.00003 <MDL	mg/L	NO
Glyphosate	14-Oct-20	0.001 <MDL	mg/L	NO

OPERATIONAL CHECKS

Parameter	Sample Date	Result Value	Unit of Measure	Exceedence
Haloacetic Acids (HAA5)		Avg.	mg/L	NO
(Note: show latest running annual average)				
Q1 2020 = <0.0053 mg/L	8-Jan-20	<0.0053		
Q2 2020 = <0.0053 mg/L	8-Apr-20			
Q3 2020 = <0.0053 mg/L	8-Jul-20			
Q4 2020 = <0.0053 mg/L	14-Oct-20			
Malathion	14-Oct-20	0.00002 <MDL	mg/L	NO
MCPA	14-Oct-20	0.00012 <MDL	mg/L	NO
Metolachlor	14-Oct-20	0.00001 <MDL	mg/L	NO
Metribuzin	14-Oct-20	0.00002 <MDL	mg/L	NO
Monochlorobenzene	14-Oct-20	0.0003 <MDL	mg/L	NO
Paraquat	14-Oct-20	0.001 <MDL	mg/L	NO
Pentachlorophenol	14-Oct-20	0.00015 <MDL	mg/L	NO
Phorate	14-Oct-20	0.00001 <MDL	mg/L	NO
Picloram	14-Oct-20	0.001 <MDL	mg/L	NO
Polychlorinated Biphenyls (PCB)	14-Oct-20	0.00004 <MDL	mg/L	NO
Prometryne	14-Oct-20	0.00003 <MDL	mg/L	NO
Simazine	14-Oct-20	0.00001 <MDL	mg/L	NO
THM		Avg.	mg/L	NO
(Note: show latest running annual average)				
Q1 2020 = 0.0073 mg/L	8-Jan-20	0.0123		
Q2 2020 = 0.011 mg/L	8-Apr-20			
Q3 2020 = 0.017 mg/L	8-Jul-20			
Q4 2020 = 0.014 mg/L	14-Oct-20			
Terbofos	14-Oct-20	0.00001 <MDL	mg/L	NO
Tetrachlorethylene	14-Oct-20	0.00035 <MDL	mg/L	NO
2,3,4,6-Tetrachlorophenol	14-Oct-20	0.00020 <MDL	mg/L	NO
Triallate	14-Oct-20	0.00001 <MDL	mg/L	NO
Trichloroethylene	14-Oct-20	0.00044 <MDL	mg/L	NO

SAMPLING & TESTING: LEAD

The Municipal Drinking Water License requires 60 samples annually to monitor corrosion control effectiveness. Sample sources include residential, non-residential and distribution locations. Each of these samples are to be tested for lead.

A total of 68 lead samples were collected and tested in residential and non-residential locations in 2020, along with 55 samples in the distribution system.

In the calendar year 2020, WUC complied fully with the requirements of the License

Medical Officer of Health (MOH) and the Spills Action Centre (SAC) of the Ministry of Environment, Parks and Conservation (MECP). If an observation other than an adverse test result indicates that a drinking water system is directing water that may not be adequately disinfected to users of the water system, the observation must be reported to the MOH and the SAC.

If a report is required under this section, a verbal report must be provided to the MOH by speaking directly to a designated on-call representative at the Windsor Essex County Health Unit (WECHU). In addition, a verbal report must be provided to the Ministry by contacting the SAC.

These verbal reports of adverse water conditions must be verified by written notice within 24 hours to the MOH and the SAC specifying the nature of the adverse result, observations and the corrective actions being undertaken.

Within seven days of resolution of a problem, a follow up written notice is to be provided outlining the incident that gave rise to the adverse result report.

In 2020, there was one adverse incident requiring notification of the MOH and the SAC. Details are as follows:

- Lead sampling result greater than 10 µg/L at a hydrant.

Notification was made to the MOH and the SAC.

CORRECTIVE ACTION

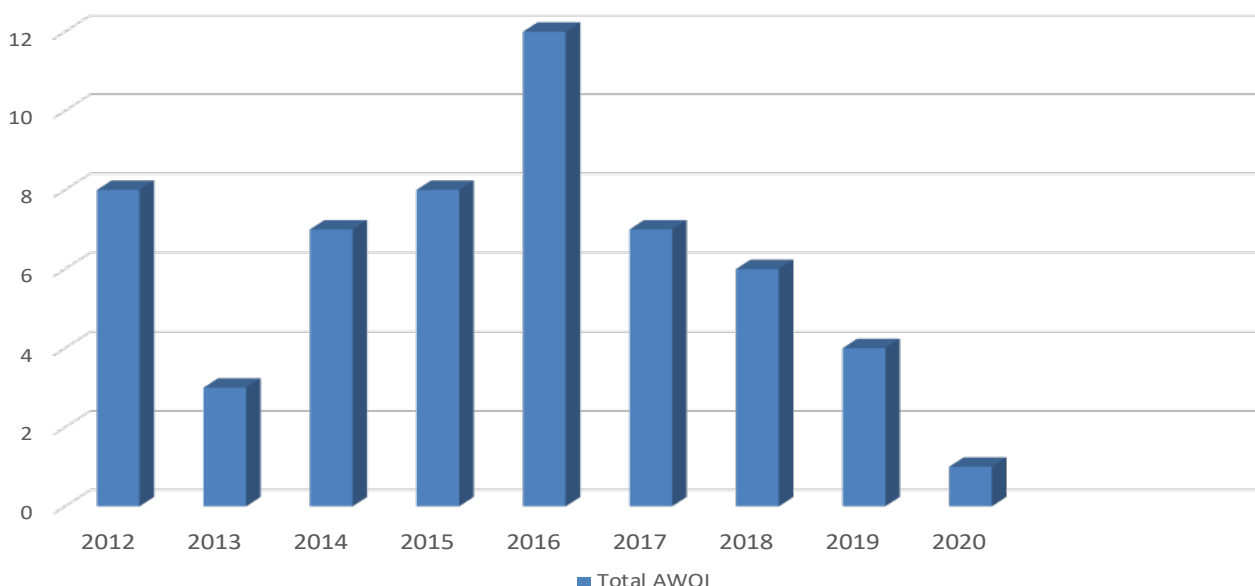
This schedule outlines the action to be followed with the determination of an adverse result requiring notification.

In all cases, the required corrective action was followed, as directed by the Medical Officer of Health.

REPORTING TEST RESULTS

If a sample collected and tested indicates an adverse result as outlined in the regulations, the owner of a drinking water system must report the result to the

Chart 6: Adverse Water Quality Incidents



SUMMARY REPORT FOR MUNICIPALITIES

Not later than March 31 of each year, a summary report must be prepared for the preceding calendar year and submitted to members of municipal council and members of a municipal services board, if one exists.

The submission of this report fulfills the requirement for this section of the regulations.

Summarising tables are attached for review:

Table 1 - 2020 Treated Water Volume (page 18)

Table 2 – 2020 Volume as a Percentage of Approved Plant Capacity (pages 19-20)

Table 3 - 2020 Microbiological Sample Count (page 21)

Table 4 - 2020 Distribution Chlorine Residuals (page 22-23)

Table 5 - 2020 Operational Parameters (page 24-25)

A copy of Schedule 23 (Inorganic Test Parameters) and Schedule 24 (Organic Test Parameters) are attached for information, as previously submitted and as required by the regulation. (pages 26-27)



Installation of a new 1500mm Steel Casing on Provincial Road for a future 900mm feedermain. This work is part of City of Windsor Contract 14-20.

CAPITAL RENEWAL PROGRAM

WATER METER REPLACEMENT PROGRAM

The goal of WUC's Water Meter Replacement Program is to replace all damaged, frozen, defective, aging and obsolete water meters in residential and industrial, commercial and institutional (ICI) settings.

New meters provide benefits that include:

- Increased accuracy in billing for our customers;
- Improved efficiency in meter reading, as reads can be obtained via radio frequency (RF); and
- Enhanced ability to identify the sources and manage the causes of non-revenue water, thereby limiting revenue loss for both WUC and its ratepayers.

WUC installed 1,815 new meters in 2020. A very small number of non-RF meters remained in the field at year end. The remaining meters are either located in vacant properties or conditions at the customer site require additional attention prior to replacement. These replacements will be coordinated with customers on a case-by-case basis going forward.

At year end, the average age of WUC's total meter population is four years. For ICIs only, the average age is 6.6 years.

All meter reading routes are now using the drive-by (RF) method to collect meter data.

Aside from the exceptions noted, the Water Meter Replacement Program is now considered complete.

WATERMAIN REPLACEMENT PROGRAM

The 2020 WUC capital renewal program involved the replacement of approximately 18.7 km of existing cast and ductile iron watermains, as well as water services with new PVC pipelines and polyethylene/copper tubing, respectively.

Water services are typically replaced from the new main to the property line.

The projects included watermains that no longer provided adequate service, which were deemed to have the highest risk to public health.

The MECP and Ontario Fire Codes (OFC) mandate minimum levels of performance required for hydrants throughout the water distribution system. In 2020, 133 water hydrants were installed and 134 old public use hydrants were removed.

WUC capital projects such as renewal of cast iron watermain are prioritized based on a scoring system algorithm. A point

score is assigned to the seven criteria listed below to determine the priority of the project.

The higher the risk to public health and safety, the higher the score and the assigned priority status. The algorithm uses the following priority:

- Anticipated percentage or total number of lead services;
- Deficient hydrant spacing;
- Low fire flow;
- Pipe diameter;
- Breaks per 100m with an emphasis on recency;
- Disturbed water per 100m;
- Age (life cycle of pipe type).

FEEDER VALVE REPLACEMENT

As a result of our regular preventative maintenance work, we found the valve at this location would not turn. Investigations found that the stem on the valve was broken and not engaging. We hired a contractor to replace this valve. We removed the chamber lid and the defective valve and installed a new horizontal gate valve with two couplers to connect to the existing pipe. During this job, we shut down the feeder main from Huron Line to Curry on College. We took

advantage of the shut-down to replace four air valves on the feeder main, along with two drain valves that were all wrapped in Denso to stop corrosion..

RESERVOIR 'D'

Rehabilitation engineering work started for construction in 2020. The refurbishment of Reservoir 'D' will provide important additional disinfection, storage and redundancy for the drinking water system. The redundancy allows for reservoir maintenance to occur without affecting treatment, quality and supply.

FILTER BED REHABILITATION - FILTER #7 & FILTER #8

ENWIN continues to rehabilitate the original multi-media filters at the A.H. Weeks WTP. The old plastic underdrain system was removed and the filter beds and walls were coated to protect the concrete. New stainless steel underdrains are scheduled for installation and new anthracite and sand filter media will be placed into the bed in early 2021. The new underdrain system and media will increase the overall filter performance.

FLUORIDE IMPLEMENTATION - PIPE LOOP STUDY

ENWIN is conducting a fluoride pipe loop study utilizing the existing pipe loop at the A. H. Weeks WTP. The study aims to determine possible interference, if any, with the effectiveness of the existing

Corrosion Control Plan. The study will facilitate the dosage optimization, prior to large scale implementation. Lead service lines were harvested from the distribution system, installed into the existing pipe loop and dosed with hydrofluorosilic acid solution similar to the dosage rate that will be implemented in the distribution system. The study will be on-going for approximately 10 months.

A.J. BRIAN AND J.F. COOK FUEL SYSTEM UPGRADES

ENWIN removed the existing below grade diesel fuel tanks at both the A.J. Brian and J.F. Cook facilities. At the J. F. Cook facility, we also installed a new exterior above-ground storage tank and a new fuel system complete with pump skid, day tanks and controls. The new fuel system replaced the existing outdated fuel system and supplies fuel to the two diesel generators that provide backup power for controls, SCADA monitoring and

high lift pumping capability. The new fuel system is compliant with the current TSSA regulation and MECP recommendations.

WATER SCADA NETWORK UPGRADE

ENWIN engaged the services of Rockwell for the design and implementation of an upgraded SCADA network at the A.H. Weeks WTP. The project will update and improve the current SCADA network infrastructure adding increased security measures in line with current industry best practices. The design for the network upgrade was conducted in 2020 with implementation scheduled for 2021.

*Renewal + Innovation
= Efficacy*

Removal of the Generator #2 alternator for repair at A.H. Weeks WTP.



APPENDIX A — OPERATIONAL CHARTS

WINDSOR UTILITIES COMMISSION

Table 1 - 2020 Treated Water Volume

MONTH	Total Pumped Volume	Daily Average Volume		Maximum Daily Volume		Minimum Daily Volume		Instantaneous Peak Volume	Town of Lasalle Volume	Town of Tecumseh Volume	City of Windsor Volume
	ML	ML		ML		ML		ML	ML	ML	ML
JANUARY	2833.5	96.8	30	104.8	15	90.2	17	152.4	246.1	205.5	2381.9
FEBRUARY	2672.5	101.7	9	105.9	24	96.7	29	175.5	181.6	185.9	2305.0
MARCH	2867.1	97.8	1	105.8	30	91.9	7	155.5	224.8	203.2	2439.0
APRIL	2713.8	93.0	13	99.8	19	89.1	16	146.4	217.8	201.0	2295.1
MAY	3143.4	106.8	25	134.5	18	89.4	24	198.7	267.8	256.9	2618.7
JUNE	4271.4	135.7	17	158.9	27	113.0	17	210.3	485.4	379.2	3406.7
JULY	4545.1	138.7	6	160.9	20	118.7	6	258.9	459.1	424.7	3661.4
AUGUST	3935.1	126.9	24	149.8	29	99.1	21	193.1	383.7	400.7	3150.7
SEPTEMBER	3107.6	103.6	1	113.4	7	93.7	14	210.4	323.8	364.6	2419.2
OCTOBER	2861.0	92.4	10	99.9	22	86.4	9	142.8	242.5	291.4	2327.2
NOVEMBER	2685.4	89.5	1	93.1	13	83.5	4	170.6	226.5	255.3	2203.7
DECEMBER	2726.6	88.1	10	93.2	25	80.3	24	151.5	195.4	237.3	2294.0
TOTAL	38362.4								3454.3	3405.6	31502.5
AVERAGE	3196.9								287.9	283.8	2625.2

Note: Volumes reported in megalitres (ML)

Table 2 - 2020 Volume as a Percentage of Approved Plant Capacity

Date	January		February		March		April		May		June	
	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %	Average Daily Flow (MLD)	Plant Capacity %
1	92.7	27%	101.5	29%	105.8	30%	92.7	27%	95.8	27%	118.0	34%
2	96.7	28%	102.4	29%	101.1	29%	95.7	27%	105.7	30%	125.4	36%
3	94.5	27%	100.8	29%	100.5	29%	93.3	27%	104.0	30%	131.5	38%
4	92.7	27%	100.3	29%	102.0	29%	95.5	27%	99.7	29%	128.6	37%
5	97.0	28%	104.1	30%	101.1	29%	94.6	27%	98.5	28%	136.3	39%
6	97.8	28%	100.8	29%	101.2	29%	93.6	27%	107.0	31%	138.6	40%
7	97.8	28%	99.5	29%	101.9	29%	92.2	26%	101.3	29%	138.6	40%
8	97.3	28%	102.3	29%	100.3	29%	93.0	27%	101.8	29%	139.4	40%
9	98.1	28%	105.9	30%	104.4	30%	90.8	26%	99.8	29%	141.6	41%
10	93.3	27%	102.5	29%	102.2	29%	93.1	27%	96.8	28%	128.4	37%
11	99.8	29%	99.1	28%	102.6	29%	93.5	27%	96.2	28%	122.7	35%
12	99.8	29%	101.2	29%	99.3	28%	90.4	26%	99.6	29%	134.3	38%
13	93.4	27%	100.2	29%	100.3	29%	99.8	29%	106.2	30%	130.0	37%
14	92.1	26%	102.3	29%	100.2	29%	90.3	26%	96.2	28%	133.6	38%
15	90.2	26%	103.0	30%	100.5	29%	90.8	26%	101.1	29%	145.3	42%
16	91.2	26%	101.5	29%	97.8	28%	92.3	26%	105.1	30%	152.2	44%
17	91.5	26%	103.7	30%	95.8	27%	93.8	27%	98.8	28%	158.9	46%
18	92.2	26%	100.6	29%	96.8	28%	93.5	27%	89.4	26%	153.7	44%
19	97.0	28%	101.0	29%	93.6	27%	89.1	26%	98.2	28%	146.5	42%
20	91.3	26%	102.8	29%	95.2	27%	95.5	27%	113.9	33%	150.8	43%
21	102.1	29%	100.2	29%	98.2	28%	92.4	26%	112.6	32%	140.3	40%
22	96.3	28%	105.1	30%	95.5	27%	89.3	26%	106.1	30%	142.7	41%
23	93.9	27%	105.8	30%	93.1	27%	91.3	26%	108.8	31%	117.6	34%
24	96.2	28%	96.7	28%	92.8	27%	90.3	26%	124.2	36%	128.5	37%
25	99.7	29%	99.7	29%	92.0	26%	96.0	28%	134.5	39%	132.2	38%
26	102.5	29%	99.1	28%	92.6	27%	90.9	26%	132.3	38%	135.1	39%
27	101.3	29%	101.1	29%	94.2	27%	97.6	28%	127.3	36%	113.0	32%
28	100.1	29%	102.3	29%	92.8	27%	94.1	27%	114.4	33%	126.0	36%
29	104.3	30%	104.7	30%	93.0	27%	93.2	27%	108.4	31%	134.8	39%
30	104.8	30%			91.9	26%	92.9	27%	110.3	32%	147.6	42%
31	102.0	29%			92.1	26%			118.4	34%		

Table 2 - 2020 Volume as a Percentage of Approved Plant Capacity

Date	July			August			September			October			November			December		
	Average Daily Flow (MLD)	Plant Capacity %		Average Daily Flow (MLD)	Plant Capacity %		Average Daily Flow (MLD)	Plant Capacity %		Average Daily Flow (MLD)	Plant Capacity %		Average Daily Flow (MLD)	Plant Capacity %		Average Daily Flow (MLD)	Plant Capacity %	
1	139.3	40%		119.4	34%		113.4	32%		95.4	27%		93.1	27%		88.6	25%	
2	140.1	40%		110.3	32%		103.3	30%		94.4	27%		88.6	25%		90.6	26%	
3	148.6	43%		118.3	34%		107.5	31%		94.1	27%		88.0	25%		89.8	26%	
4	144.0	41%		118.6	34%		108.7	31%		93.3	27%		90.1	26%		89.3	26%	
5	149.5	43%		121.3	35%		105.2	30%		95.6	27%		91.5	26%		90.2	26%	
6	160.9	46%		126.9	36%		101.1	29%		98.6	28%		89.5	26%		88.0	25%	
7	145.9	42%		134.0	38%		93.7	27%		99.5	29%		88.6	25%		88.2	25%	
8	139.3	40%		135.3	39%		97.4	28%		99.0	28%		91.2	26%		89.1	26%	
9	148.4	43%		136.6	39%		102.4	29%		96.4	28%		90.5	26%		89.3	26%	
10	139.4	40%		143.9	41%		99.8	29%		99.9	29%		91.7	26%		93.2	27%	
11	120.5	35%		142.2	41%		103.7	30%		92.8	27%		89.6	26%		88.3	25%	
12	133.3	38%		140.8	40%		102.4	29%		92.8	27%		90.2	26%		92.5	27%	
13	133.9	38%		138.4	40%		100.3	29%		92.1	26%		83.5	24%		88.1	25%	
14	146.4	42%		133.3	38%		105.2	30%		89.8	26%		88.5	25%		88.1	25%	
15	149.9	43%		127.4	36%		104.6	30%		90.7	26%		85.1	24%		92.3	26%	
16	121.6	35%		107.7	31%		106.1	30%		90.4	26%		91.0	26%		89.5	26%	
17	137.5	39%		118.1	34%		106.3	30%		90.3	26%		91.2	26%		92.5	27%	
18	139.6	40%		123.0	35%		100.1	29%		89.4	26%		91.9	26%		91.1	26%	
19	122.3	35%		127.1	36%		102.1	29%		86.5	25%		89.1	26%		90.7	26%	
20	118.7	34%		126.8	36%		102.1	29%		96.9	28%		91.1	26%		90.6	26%	
21	129.0	37%		135.7	39%		106.1	30%		90.9	26%		91.8	26%		89.6	26%	
22	131.7	38%		147.4	42%		107.6	31%		86.4	25%		86.4	25%		88.6	25%	
23	133.4	38%		146.6	42%		108.0	31%		91.1	26%		88.4	25%		87.2	25%	
24	138.5	40%		149.8	43%		104.5	30%		90.0	26%		88.2	25%		86.4	25%	
25	142.0	41%		144.6	41%		110.1	32%		88.3	25%		88.7	25%		80.3	23%	
26	142.8	41%		121.1	35%		107.3	31%		88.1	25%		89.0	26%		81.9	23%	
27	140.5	40%		122.0	35%		108.4	31%		89.6	26%		89.9	26%		82.7	24%	
28	153.4	44%		109.9	32%		100.3	29%		92.0	26%		89.7	26%		82.0	23%	
29	134.2	38%		99.1	28%		95.4	27%		90.0	26%		91.0	26%		81.6	23%	
30	136.1	39%		101.1	29%		94.6	27%		89.0	26%		88.7	25%		82.6	24%	
31	139.1	40%		108.6	31%					87.9	25%					83.7	24%	

Table 3 - 2020 Microbiological Sample Count

Month	January	February	March	April	May	June	July	August	September	October	November	December
DISTRIBUTION	154	154	154	154	154	154	143	154	165	165	165	154
TREATED	180	160	184	167	171	181	182	175	185	175	174	159
RAW	21	20	22	21	21	22	23	21	22	22	21	19
TOTAL	355	334	360	342	346	357	348	350	372	362	360	332

Table 4 - 2020 Distribution Chlorine Residuals

JANUARY TO MARCH 2020

	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Jan	LOW	1.14	1.18	0.93	0.98	0.83	1.19	0.87	1.12	0.97	1.41	1.15	1.10	1.04	1.13	1.04	1.17	1.15	1.11	0.88	0.88
	HIGH	1.49	1.36	1.32	1.13	1.08	1.38	1.17	1.38	1.26	1.61	1.39	1.34	1.19	1.35	1.38	1.31	1.47	1.21	1.19	1.08
	AVG	1.29	1.29	1.15	1.05	1.00	1.29	1.02	1.28	1.13	1.51	1.23	1.19	1.14	1.23	1.24	1.24	1.33	1.14	1.06	0.99
Feb	LOW	1.11	1.08	0.91	0.89	0.78	1.08	0.74	0.95	0.84	1.33	0.94	0.97	0.87	0.92	1.08	0.95	1.02	0.71	0.81	0.69
	HIGH	1.28	1.25	1.23	1.27	1.05	1.41	1.06	1.29	1.19	1.67	1.25	1.22	1.15	1.19	1.46	1.21	1.31	1.15	1.42	1.04
	AVG	1.22	1.18	1.02	1.05	0.91	1.32	0.94	1.17	1.06	1.48	1.08	1.12	1.07	1.07	1.23	1.10	1.20	0.98	1.06	0.87
Mar	LOW	1.04	1.00	0.88	0.65	0.77	0.98	0.63	0.90	0.86	1.14	0.91	1.00	0.87	0.98	0.88	1.05	1.05	0.93	0.77	0.81
	HIGH	1.46	1.51	1.19	1.41	1.09	1.49	1.05	1.36	1.17	1.86	1.26	1.37	1.35	1.27	1.28	1.43	1.49	1.31	1.18	1.28
	AVG	1.24	1.22	1.02	0.96	0.98	1.18	0.87	1.08	0.99	1.45	1.09	1.15	1.11	1.09	1.11	1.22	1.24	1.09	0.96	1.08
Quarterly Avg		1.25	1.23	1.07	1.02	0.96	1.26	0.94	1.18	1.06	1.48	1.13	1.15	1.07	1.13	1.19	1.18	1.26	1.07	1.03	0.98

NOTE: All values in mg/l unless otherwise stated

APRIL TO JULY 2020

	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22
Apr	LOW	1.03	1.03	0.85	0.61	0.77	0.88	0.68	0.84	1.18	0.84	0.90	0.83	0.94	0.87	0.97	0.94	1.04	0.85	0.91	0.87
	HIGH	1.42	1.55	1.24	1.03	1.27	1.53	0.98	1.23	1.44	1.11	1.29	1.45	1.34	1.32	1.31	1.17	1.41	1.36	1.29	1.11
	AVG	1.19	1.20	1.04	0.89	0.94	1.12	0.82	1.05	1.33	1.03	1.07	1.12	1.10	1.09	1.14	1.10	1.21	1.01	1.04	0.95
May	LOW	1.04	0.99	0.85	0.70	0.74	0.99	0.71	0.92	1.25	0.88	0.78	0.90	0.90	0.68	0.95	0.92	1.02	0.87	0.89	0.75
	HIGH	1.25	1.31	1.04	1.07	1.02	1.38	0.89	1.39	1.47	1.32	1.29	1.26	1.20	1.27	1.53	1.30	1.39	1.23	1.22	1.08
	AVG	1.13	1.14	0.95	0.91	0.89	1.17	0.79	1.10	1.02	1.08	1.05	1.12	1.07	1.05	1.17	1.09	1.15	1.03	1.05	0.91
Jun	LOW	1.17	1.16	1.20	0.94	0.83	0.89	0.85	1.05	1.27	1.02	1.05	0.99	0.97	0.96	1.15	1.24	1.08	1.06	1.04	0.88
	HIGH	1.54	1.58	1.35	1.23	1.17	1.55	1.17	1.49	1.67	1.33	1.69	1.40	1.38	1.20	1.35	1.48	1.36	1.23	1.28	1.18
	AVG	1.40	1.37	1.25	1.10	1.01	1.27	0.96	1.25	1.13	1.24	1.27	1.14	1.22	1.05	1.27	1.40	1.26	1.16	1.20	1.08
Quarterly Avg		1.24	1.24	1.08	0.97	0.95	1.19	0.85	1.14	1.05	1.38	1.13	1.13	1.13	1.06	1.20	1.20	1.21	1.07	1.10	0.98

NOTE: All values in mg/l unless otherwise stated

Table 4 - 2020 Distribution Chlorine Residuals

JULY TO SEPTEMBER 2020

	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22	
Jul	LOW	1.19	1.17	1.08	0.80	0.81	1.20	0.90	1.21	1.00	1.41	1.03	0.98	1.06	1.18	0.84	1.13	1.28	1.12	0.94	1.01	1.00
	HIGH	1.51	1.33	1.28	1.32	1.12	1.44	1.06	1.27	1.24	1.64	1.32	1.42	1.39	1.34	1.32	1.36	1.63	1.34	1.20	1.20	1.13
	AVG	1.37	1.24	1.17	1.08	0.99	1.38	0.99	1.25	1.14	1.54	1.19	1.23	1.21	1.26	1.09	1.28	1.43	1.26	1.09	1.15	1.07
Aug	LOW	1.22	1.11	0.88	0.80	0.73	1.02	0.66	0.91	0.88	1.25	0.98	1.04	1.02	1.01	0.72	1.08	1.03	1.19	0.95	0.93	0.85
	HIGH	1.33	1.34	1.12	1.02	1.04	1.34	1.02	1.22	1.19	1.57	1.18	1.26	1.57	1.28	1.19	1.17	1.29	1.34	1.11	1.25	1.00
	AVG	1.27	1.23	1.03	0.94	0.87	1.19	0.86	1.06	1.04	1.40	1.10	1.13	1.17	1.15	1.00	1.14	1.14	1.26	1.03	1.11	0.92
Sep	LOW	1.12	1.17	1.06	0.87	0.73	1.07	0.75	1.01	0.97	1.36	1.04	1.01	0.98	0.90	0.81	1.08	0.99	1.11	0.99	1.07	0.79
	HIGH	1.55	1.50	1.33	1.10	1.24	1.49	0.98	1.45	1.27	1.65	1.37	1.38	1.37	1.51	1.39	1.36	1.33	1.54	1.21	1.31	1.25
	AVG	1.41	1.37	1.24	1.01	0.94	1.29	0.88	1.23	1.14	1.49	1.21	1.20	1.16	1.18	1.14	1.22	1.20	1.36	1.10	1.17	0.97
Quarterly Avg	1.35	1.28	1.15	1.01	0.93	1.28	0.91	1.18	1.10	1.48	1.17	1.19	1.18	1.19	1.08	1.22	1.26	1.29	1.07	1.14	0.99	

NOTE: All values in mg/l unless otherwise stated

OCTOBER TO DECEMBER 2020

	D1	D2	D3	D4	D5	D6	D7	D8	D9	D10	D11	D12	D13	D14	D15	D16	D17	D18	D20	D21	D22	
Oct	LOW	1.16	1.17	1.07	0.88	0.99	1.27	0.74	1.16	1.04	1.29	1.07	1.06	0.92	1.07	0.75	0.77	0.99	1.10	0.96	1.02	0.83
	HIGH	1.45	1.40	1.30	1.10	1.15	1.48	0.95	1.43	1.29	1.60	1.43	1.39	1.32	1.40	1.33	1.40	1.41	1.46	1.26	1.29	1.26
	AVG	1.32	1.32	1.22	0.95	1.05	1.36	0.85	1.28	1.18	1.45	1.25	1.26	1.20	1.29	1.12	1.21	1.28	1.33	1.15	1.16	1.04
Nov	LOW	1.10	0.98	1.06	0.82	0.96	1.18	0.84	1.16	1.12	1.35	1.18	1.12	1.18	1.10	1.17	1.20	1.25	1.21	1.13	0.89	0.96
	HIGH	1.40	1.40	1.24	1.24	1.06	1.49	1.20	1.53	1.25	1.47	1.33	1.30	1.35	1.36	1.34	1.37	1.34	1.38	1.21	1.36	1.12
	AVG	1.31	1.25	1.15	1.09	1.01	1.35	1.00	1.28	1.18	1.42	1.26	1.21	1.25	1.21	1.28	1.28	1.30	1.34	1.18	1.19	1.04
Dec	LOW	1.19	1.23	1.09	1.04	0.70	0.97	0.91	1.23	0.93	1.34	1.15	1.06	1.13	1.06	1.11	1.20	1.18	1.30	0.93	1.04	0.91
	HIGH	1.65	1.37	1.36	1.45	1.21	1.47	1.12	1.51	1.29	1.65	1.39	1.30	1.41	1.31	1.36	1.51	1.44	1.47	1.34	1.24	1.21
	AVG	1.44	1.30	1.22	1.27	1.02	1.27	1.07	1.34	1.17	1.49	1.24	1.21	1.20	1.17	1.21	1.33	1.28	1.36	1.18	1.15	1.03
Quarterly Avg	1.36	1.29	1.20	1.10	1.03	1.33	0.97	1.30	1.18	1.45	1.25	1.23	1.21	1.22	1.20	1.27	1.28	1.34	1.17	1.17	1.04	

NOTE: All values in mg/l unless otherwise stated

(0.05 mg/L - minimum standard per Ministry of Environment)
(0.20 mg/L - minimum WUC standard)

Table 5 - 2020 Operating Parameters

		JANUARY				FEBRUARY				MARCH			PLANT PARAMETERS HIGH LOW VALUES		MINISTRY MAC	
		HIGH	LOW	AVG.		HIGH	LOW	AVG.		HIGH	LOW	AVG.			HIGH ^(*)	LOW
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)		(---)	(---)	(---)		(---)	(---)	(---)	5.00	0.00	N/A	N/A
ALUMINUM ⁽³⁾	µg/l	18	9	14		17	11	13		21	12	17	100.0	0.0	N/A	N/A
pH ⁽²⁾		7.11	6.89	7.00		7.15	6.97	7.06		7.16	6.94	7.07	7.30	6.50	N/A	N/A
TURBIDITY ⁽¹⁾	NTU	0.06	0.03	0.04		0.08	0.03	0.04		0.05	0.03	0.03	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	138	98	112		160	100	117		154	100	118	100	80	N/A	N/A
TEMPERATURE	°C	4.0	1.7	2.8		2.8	1.3	2.0		7.8	1.7	4.7			N/A	N/A
ODOUR/TASTE		(---)	(---)	(---)		(---)	(---)	(---)		(---)	(---)	(---)	in-offensive		N/A	N/A
ALKALINITY ^(2 and *3)	mg/L	94	72	81		106	70	80		112	78	92	500	30	N/A	N/A
CHLORINE RESIDUAL ^(*)	mg/L	1.67	1.47	1.55		1.68	1.45	1.55		1.65	1.34	1.48	1.50	0.80	N/A	0.05

		APRIL				MAY				JUNE			PLANT PARAMETERS HIGH LOW VALUES		MINISTRY MAC	
		HIGH	LOW	AVG.		HIGH	LOW	AVG.		HIGH	LOW	AVG.			HIGH ^(*)	LOW
COLOUR ⁽²⁾	TCU	(---)	(---)	(---)		(---)	(---)	(---)		(---)	(---)	(---)	5.00	0.00	N/A	N/A
ALUMINUM ⁽³⁾	µg/l	29	12	19		48	13	27		72	37	54	100.0	0.0	N/A	N/A
pH ⁽²⁾		7.14	6.96	7.05		7.12	6.96	7.05		7.16	6.96	7.04	7.30	6.50	N/A	N/A
TURBIDITY ⁽¹⁾	NTU	0.06	0.03	0.04		0.08	0.05	0.06		0.13	0.05	0.07	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L									112	82	94	100	80	N/A	N/A
TEMPERATURE	°C	10.7	6.8	8.5		16.0	12.5	14.3		22.1	19.2	20.4			N/A	N/A
ODOUR/TASTE		(---)	(---)	(---)		(---)	(---)	(---)		(---)	(---)	(---)	in-offensive		N/A	N/A
ALKALINITY ^(2 and *3)	mg/L	100	80	90		100	80	85		92	76	82	500	30	N/A	N/A
CHLORINE RESIDUAL ^(*)	mg/L	1.75	1.40	1.54		1.70	1.38	1.56		1.67	1.50	1.58	1.50	0.80	N/A	0.05

Table 5 - 2020 Operating Parameters

		JULY					AUGUST			SEPTEMBER			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.			HIGH	LOW	AVG.	HIGH	LOW	AVG.	HIGH LOW VALUES	HIGH	LOW	
COLOUR ⁽²⁾	TCU	(---	(---	(---			(---	(---	(---	(---	(---	(---	5.00	0.00	N/A	
	ALUMINUM ⁽³⁾	204	49	99			143	24	63	81	23	45	100.0	0.0	N/A	
pH ⁽²⁾		7.17	6.96	7.06			6.99	7.00	7.05	7.16	7.04	7.09	7.30	6.50	N/A	
TURBIDITY ⁽¹⁾	NTU	0.11	0.04	0.07			0.11	0.05	0.07	0.10	0.05	0.06	1.00	0.00	1.00	0.00
HARDNESS ⁽²⁾	mg/L	112	90	100			98	98	94	110	96	101	100	80	N/A	
TEMPERATURE	°C	26.0	24.1	25.1			23.8	23.5	23.9	20.2	17.9	19.0			N/A	
ODOUR/TASTE		(---	(---	(---			(---	(---	(---	(---	(---	(---	in-offensive		N/A	
ALKALINITY ^(2 and *3)	mg/L	84	76	79			70	76	82	88	76	82	500	30	N/A	
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.73	1.47	1.58			1.70	1.41	1.53	1.73	1.51	1.60	1.50	0.80	N/A	0.05

		OCTOBER					NOVEMBER				DECEMBER			PLANT PARAMETERS		MINISTRY MAC	
		HIGH	LOW	AVG.			HIGH	LOW	AVG.		HIGH	LOW	AVG.	HIGH LOW VALUES	HIGH	LOW	
COLOUR ⁽²⁾	TCU	(---	(---	(---			(---	(---	(---	(---	(---	(---	5.00	0.00	N/A		
	ALUMINUM ⁽³⁾	52	14	21			20	10	13	11	3	7	100.0	0.0	N/A		
pH ⁽²⁾		7.05	7.10	7.05			7.10	6.97	7.03	7.10	6.90	6.95	7.30	6.50	N/A		
TURBIDITY ⁽¹⁾	NTU	0.05	0.03	0.04			0.06	0.03	0.04	0.04	0.02	0.03	1.00	0.00	1.00	0.00	
HARDNESS ⁽²⁾	mg/L	108	96	106			138	96	104	128	96	110	100	80	N/A		
TEMPERATURE	°C	11.8	11.7	11.4			11.7	3.0	17.5	6.3	3.0	8.5			N/A		
ODOUR/TASTE		(---	(---	(---			(---	(---	(---	(---	(---	(---	in-offensive		N/A		
ALKALINITY ^(2 and *3)	mg/L	78	80	94			90	78	83	98	78	86	500	30	N/A		
CHLORINE RESIDUAL ⁽¹⁾	mg/L	1.72	1.42	1.56			1.65	1.40	1.52	1.64	1.35	1.51	1.50	0.80	N/A	0.05	

(1) MAC - Maximum Allowable Concentration
 (2) Health Canada Operational Guideline (O.G.)
 (3) Recommended in coagulant treated drinking water

Schedule 23
Inorganic Parameters

Item	Parameter
1	Antimony
2	Arsenic
3	Barium
4	Boron
5	Cadmium
6	Chromium
7	Mercury
8	Selenium
9	Uranium

Schedule 24 Organic Parameters

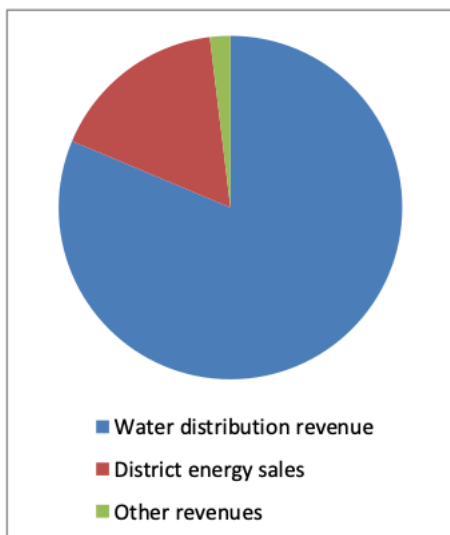
Item	Parameter
1	Alachlor
2	Atrazine + N-dealkylated metabolites
3	Azinphos-methyl
4	Benzene
5	Benzo(a)pyrene
6	Bromoxynil
7	Carbaryl
8	Carbofuran
9	Carbon Tetrachloride
10	Chlorpyrifos
11	Diazinon
12	Dicamba
13	1,2-Dichlorobenzene
14	1,4-Dichlorobenzene
15	1,2-dichloroethane
16	1,1-Dichloroethylene (vinylidene chloride)
17	Dichloromethane
18	2,4-Dichlorophenol
19	2,4-Dichlorophenoxy acetic acid (2,4-D)
20	Diclofop-methyl
21	Dimethoate
22	Diquat
23	Diuron
24	Glyphosate
25	Malathion
26	2-Methyl-4-chlorophenoxyacetic acid
27	Metolachlor
28	Metribuzin
29	Monochlorobenzene
30	Paraquat
31	Pentachlorophenol
32	Phorate
33	Picloram
34	Polychlorinated Biphenyls (PCB)
35	Prometryne
36	Simazine
37	Terbufos
38	Tetrachloroethylene (perchloroethylene)
39	2,3,4,6-Tetrachlorophenol
40	Triallate
41	Trichloroethylene
42	2,4,6-Trichlorophenol
43	Trifluralin
44	Vinyl Chloride

FINANCIAL HIGHLIGHTS

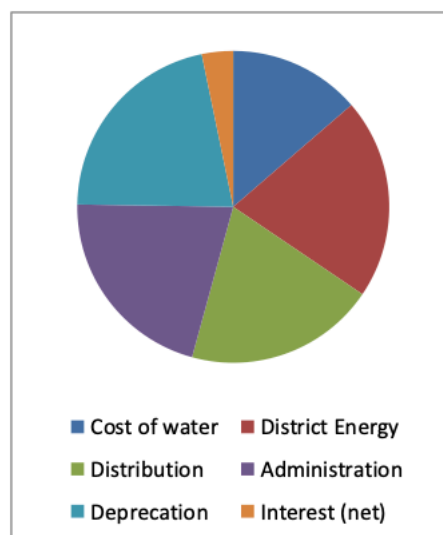
Fiscal Year ending December 31, 2020

(in thousands of dollars)	2020	2019	2018	2017	2016
Operations					
Total revenue	67,892	64,833	64,146	62,237	62,126
Water distribution revenue	55,213	53,653	52,193	50,792	50,341
Operating expenses (excluding depreciation)	35,735	36,559	37,439	37,128	36,906
EBITDA	32,157	28,274	26,707	25,109	25,220
Depreciation	10,214	9,639	8,556	8,715	7,180
Net Income	20,400	17,317	16,410	14,735	16,177
Balance Sheet					
Cash and investments	31,934	24,461	25,181	28,854	33,051
Property, plant and equipment	329,706	312,697	297,680	279,242	258,837
Total Assets	374,907	350,074	334,326	319,511	301,792
Long-term borrowings	51,397	51,381	51,365	51,350	51,332
Equity	292,816	272,682	254,501	237,680	223,287
Cashflows					
Operating	30,601	23,352	21,543	26,134	25,074
Investment in infrastructure	22,895	23,981	25,094	29,509	23,098

Revenue by Type



Expenses by Type



FINANCIAL RESULTS

Fiscal Year ending December 31, 2020

STATEMENT OF INCOME

Net income in 2020 was \$20.4 million compared to \$17.3 million in 2019. The \$3.1 million improvement in earnings is primarily due to higher levels of distribution revenue in 2020 compared to 2019. Distribution revenue increased \$1.6 million in 2020 to \$55.2 million from \$53.6 million in 2019 as a result of a rate increase implemented to support our capital and maintenance programs.

During 2020, WUC invested \$22.9 million in property, plant and equipment to ensure sustainability of Windsor's drinking water system.

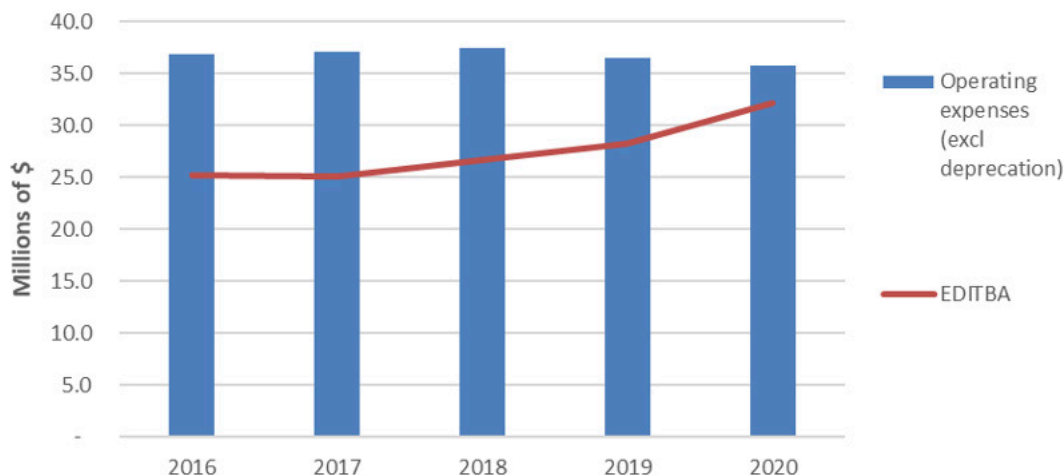
Operating expenses excluding depreciation of \$35.7 million were lower than the \$36.6 million spent in 2019.

By controlling operating expenses at current levels for the past 5 years (2020 = \$35.7 million, 2016 = \$36.9 million),

WUC has been able to grow Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) from \$25.2 million in 2016 to \$32.2 million in 2020.

All earnings were reinvested into the water system.

EDITBA and Operating Expenses



BALANCE SHEET

Strong operating cash flows allowed WUC to maintain adequate liquidity to fund future watermain replacement and water infrastructure renewal. Cash and

investment balances at the end of 2020 totaled \$31.9 million.

Consistent operating performance and continued investment in infrastructure over recent years has resulted in a 27%

increase in WUC property, plant and equipment, and a 31% increase in equity since 2015.

WINDSOR UTILITIES COMMISSIONERS

Drew Dilkens (Chair), B.Comm., JD, MBA, DBA, CHRL, C. Dir.
Mayor, City of Windsor

Egidio Sovran (Vice-Chair), MBA, CPA, CA
Owner, E L Sovran Professional Corp.
Associate, Grant Thornton

Jeewen Gill
Councillor, City of Windsor, Ward 7

Julian (Jules) Hawkins, FCPA, FCA
Partner, Hawkins & Co. Accounting Professional Corp.

J. Douglas Lawson, O.Ont. QC, LL.D
Counsel, Willis Business Law

Kieran McKenzie, BA
Councillor, City of Windsor, Ward 9

Jim Morrison, PFP
Councillor, City of Windsor, Ward 10

Mario Sonogo, P.Eng.
Retired City Engineer, City of Windsor

President, Sonogo Management Inc.

ENWIN UTILITIES LTD. EXECUTIVE MANAGEMENT

Helga Reidel, FCPA, FCA, ICD.D
President & CEO

Matt Carlini, CPA, CA, MBA
VP Corporate Services & CFO

Paul Gleason, LL.M.
VP Customer Care and Corporate Operations
(December 2020)

Jim Brown, P.Eng.
VP Hydro Operations

Garry Rossi, P.Eng.
Vice President Water Operations

John Wladarski, C.E.T.
Vice President Customer Operations and Business
Development & COO (Retired December 2020)

FINANCIAL STATEMENTS

WINDSOR UTILITIES COMMISSION

Fiscal Year ending December 31, 2020



KPMG LLP
618 Greenwood Centre
3200 Deziel Drive
Windsor ON N8W 5K8
Canada
Telephone (519) 251-3500
Fax (519) 251-3530

INDEPENDENT AUDITORS' REPORT

To the Members of Windsor Utilities Commission

Opinion

We have audited the financial statements of Windsor Utilities Commission (the Entity), which comprise:

- the balance sheet as at December 31, 2020
- the statement of income for the year then ended
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 28, 2021

WINDSOR UTILITIES COMMISSION

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December 31, 2020

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WINDSOR UTILITIES COMMISSION

Balance Sheet

(In thousands of Canadian dollars)

December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 9,881	\$ 5,122
Investment	8	10,829	9,756
Accounts receivable	5	12,556	11,906
Inventory	6	623	778
Other assets		88	232
		33,977	27,794
Non-current assets:			
Property, plant and equipment	7	329,706	312,697
Investment, sinking fund	8	11,224	9,583
		340,930	322,280
Total assets		\$ 374,907	\$ 350,074
Liabilities			
Current liabilities:			
Accounts payable and accruals	9	\$ 5,799	\$ 8,528
Due to related parties	17	5,613	1,532
Current portion of customer deposits	10	96	101
		11,508	10,161
Non-current liabilities:			
Long-term payable to corporations under common control	17	411	1,233
Customer deposits	10	278	360
Deferred revenue - customer contributions	11	13,832	9,620
Long-term borrowings	12	51,397	51,381
Employee future benefits	13	4,665	4,637
		70,583	67,231
Total liabilities		82,091	77,392
Equity			
Contributed surplus		61,854	61,854
Retained earnings		230,429	210,029
Accumulated other comprehensive income		533	799
		292,816	272,682
Commitments and contingencies	19		
Total liabilities and equity		\$ 374,907	\$ 350,074

The accompanying notes are an integral part of these financial statements.

On behalf of the Commission

Commissioners

Commissioners

WINDSOR UTILITIES COMMISSION

Statement of Income

(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Revenues:			
Revenue from distribution of water	14	\$ 55,213	\$ 53,653
Revenues from District Energy		11,373	10,487
Other income	15	1,306	693
		67,892	64,833
Operating expenses:			
Cost of water production		6,497	6,977
Cost of services for District Energy		9,872	9,042
Distribution, transmission and operation expenses		9,400	10,102
Administration expenses		9,966	10,438
Depreciation and amortization	7	10,214	9,639
		45,949	46,198
Income from operating activities		21,943	18,635
Finance expense (income):			
Finance income	16	(681)	(937)
Finance expense	16	2,224	2,255
		1,543	1,318
Income for the year		\$ 20,400	\$ 17,317

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Comprehensive Income

(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Income for the year		\$ 20,400	\$ 17,317
Other comprehensive gain:			
Items that will not be reclassified to the statement of income:			
Remeasurement of defined benefit obligation (loss) gain	13	(266)	864
Other comprehensive (loss) gain		(266)	864
Total comprehensive income for the year		\$ 20,134	\$ 18,181

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Changes in Equity
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2019	\$ 61,854	\$ 192,712	\$ (65)	\$ 254,501
Income for the year	-	17,317	-	17,317
Other comprehensive gain				
Remeasurement of defined benefit obligation	-	-	864	864
Balance at December 31, 2019	\$ 61,854	\$ 210,029	\$ 799	\$ 272,682
Income for the year	-	20,400	-	20,400
Other comprehensive gain (loss)				
Remeasurement of defined benefit obligation	-	-	(266)	(266)
Balance at December 31, 2020	\$ 61,854	\$ 230,429	\$ 533	\$ 292,816

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

Statement of Cash Flows
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Cash flows from operating activities:			
Comprehensive income for the year		\$ 20,134	\$ 18,181
Adjustments for:			
Depreciation and amortization	7	10,214	9,639
Amortization of deferred revenue customer contribution		(208)	(137)
Amortization of debt issuance costs		16	16
Actuarial (loss) gain on employee future benefits		266	(864)
Gain on investments		(589)	(731)
Net finance costs	16	1,527	1,302
Loss on disposal of property, plant and equipment		92	210
		31,452	27,616
Changes in:			
Accounts receivable		(650)	(1,186)
Inventory		155	(195)
Other assets		144	(70)
Accounts payable and accruals		(2,729)	1,033
Accounts payable due to related parties		4,081	(2,284)
Customer deposits		(87)	(85)
Employee future benefits		(238)	(175)
		676	(2,962)
Interest received		681	937
Interest paid		(2,208)	(2,239)
		30,601	23,352
Cash flows from investing activities:			
Acquisition of investment		(3,225)	(1,225)
Proceeds from investments		1,100	698
Acquisition of property, plant and equipment	7	(22,895)	(23,981)
		(25,020)	(24,508)
Cash flows from financing activities:			
Decrease in amount owing to corporations under common control	17	(822)	(822)
		(822)	(822)
Net increase (decrease) in cash and cash equivalents		4,759	(1,978)
Cash and cash equivalents at January 1		5,122	7,100
Cash and cash equivalents at December 31		\$ 9,881	\$ 5,122

The accompanying notes are an integral part of these financial statements.

WINDSOR UTILITIES COMMISSION

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Year ended December 31, 2020

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WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements
(in thousands of Canadian dollars)

Year ended December 31, 2020

1. Reporting entity:

The Windsor Utilities Commission (the "Commission") is the public utility that owns the water treatment and distribution system that serves the City of Windsor (the "City"). The Commission also owns District Energy, a division, which supplies heating and cooling services to multiple buildings using a closed hot and cold water system. The Commission was established in 1935 under the City of Windsor Amalgamation Act. The Commission is a local board of the City pursuant to the Municipal Act. The address of the Commission's registered office is 4545 Rhodes Drive, Windsor, Ontario, Canada. The Commission has more than 75,000 residential and commercial customers in Windsor and two neighbouring municipal bulk water customers, the Town of LaSalle and the Town of Tecumseh.

On November 6, 2012, the Commission and ENWIN Utilities Ltd. ("ENWIN") entered into a Water System Operating Agreement ("WSOA"), whereby ENWIN agreed to provide services to the Commission with respect to operating the water treatment and distribution system and District Energy. The services include: management, administrative services, construction operations, and maintenance services. ENWIN is responsible for providing all personnel required to operate the water system and District Energy. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, the Commission transferred all non-unionized employees and all unionized employees of the Commission to ENWIN. ENWIN is indirectly 100% owned by the City.

2. Basis of preparation:

(a) Statement of compliance:

The Commission's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB").

(b) Approval of the financial statements:

The financial statements were approved by the Commission on April 28, 2021.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(c) Basis of measurement:

The financial statements have been prepared on the historical cost basis except for the following:

- (i) Where held, financial instruments at fair value through profit or loss, are measured at fair value.
- (ii) The accrued benefit related to the Commission's unfunded defined benefit plan is actuarially determined and is measured at the present value of the defined benefit obligation.

(d) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Commission's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand dollars.

(e) Use of estimates and judgements:

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty that have the most significant effect on the amounts recognized in these financial statements, include:

- (i) Note 3(h) – Determination of the performance obligation for deferred revenue – contributions from customers and the related amortization period
- (ii) Note 5 – Unbilled revenue: measurement of revenues not yet billed
- (iii) Note 7 – Property, plant and equipment: useful lives and the identification of significant components of property, plant and equipment
- (iv) Note 13 – Employee future benefits: measurement of the defined benefit obligation

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(e) Use of estimates and judgements (continued):

- (v) Note 18 – Financial instruments and risk management: valuation of financial instruments

Information about critical judgements in applying policies that have the most significant effect on the amounts recognized in the financial statements, include:

- (i) The Commission's determination that they are acting as a principal or agent to a transaction and their presentation of the transaction on a gross or net basis.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

(a) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and investments with a maturity of approximately three months or less at the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as an investment.

(b) Financial instruments:

All financial assets and liabilities of the Commission are classified into one of the following categories: amortized cost; fair value through other comprehensive income; or fair value through income or loss.

The Commission has classified its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Investment	Fair value through income or loss
Accounts receivable	Amortized cost
Investment, sinking fund	Fair value through income or loss
Accounts payable and accruals	Amortized cost
Long-term borrowings	Amortized cost

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial instruments are recognized initially at amortized cost plus any directly attributable transaction costs.

Subsequent to initial recognition, financial instruments classified as fair value through income and loss are measured at fair value.

The Commission does not use derivative instruments.

The Commission derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Commission derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Fair value:

Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly; and

Level 3: inputs for assets and liabilities that are based on observable market value.

(d) Inventory:

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average basis and includes expenditures incurred in acquiring the material and supplies and other costs incurred in bringing them to their existing location and condition.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(e) Property, plant and equipment:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Commission and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

(iii) Depreciation:

Depreciation is recognized in income or loss on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Buildings	10 to 60 years
Distribution and metering equipment	7 to 75 years
Plant and water treatment equipment	15 to 60 years
District energy systems	5 to 40 years

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within other income in the statement of income.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

All impairment losses are recognized in the statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of income.

(ii) Non-financial assets:

The carrying amounts of the Commission's non-financial assets, other than inventory and supplies, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss was recognized.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Impairment (continued):

(ii) Non-financial assets (continued):

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of income and are allocated to reduce the carrying amount of the assets in the cash-generating unit on a pro-rata basis.

(g) Employee future benefits:

(i) Pension plan:

The Commission provides a pension plan for all its retirees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, defined benefit pension plan established in 1962 by the Province of Ontario for employees of municipalities, local boards and school boards in Ontario. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable the Commission to account for the plan as a defined benefit plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income or loss when they are due. At December 31, 2020, the OMERS plan is in a deficit position.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(g) Employee future benefits (continued):

(ii) Employee future benefits, other than pension:

The Commission pays certain health, dental and life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees. These benefits are provided through a group defined benefit plan. The Commission is the legal sponsor of the plan. There is a policy in place to allocate the net defined benefit cost to the entities participating in the group plan. The allocation is based on the obligation attributable to the plan participants. The Commission has reflected its share of the defined benefit costs and related liabilities, as calculated by the actuary, in these financial statements.

The Commission accrues the cost of these retiree future benefits over the periods in which the employees earn the benefits. The accrued benefit obligations are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. The Commission determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period, taking into account any changes in the net benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(h) Deferred revenue:

Certain customers and developers are required to contribute towards the capital cost of construction in order to provide a new service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to water. The Commission has concluded that the performance obligation is the supply of water over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes water. Cash contributions are initially recorded as current liabilities. Once the distribution system asset is completed or modified as outlined in the terms of the contract, the contribution amount is transferred to a customers' capital contribution account.

When an asset is received as a capital contribution, the asset is initially recognized at its fair value, with the corresponding amount recognized in the customers' capital contribution account.

The customers' capital contribution account, which represents the Commission's obligation to provide the customers access to water, is reported as deferred revenue and is amortized to income on a straight-line basis over the economic useful life of the acquired or contributed asset.

(i) Revenue:

IFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

Revenue for the Commission is recognized when the Commission satisfies the performance obligations within the contract(s) for conditions of service, which is when the delivery of water is achieved or specific services are performed.

Revenue is measured at the fair value of the consideration received or receivable, net of any taxes which may be applicable.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Revenue (continued):

Revenue from distribution of water - revenue attributable to the delivery of water is based upon Commission approved distribution rates and includes the amounts billed to customers for connection and consumption. Revenue is recognized as water is delivered and consumed by customers. Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of water consumed by customers since the date of each customer's last meter reading. Actual water usage could differ from those estimates.

Revenue from District Energy – the Commission operates a district energy system where commercial heating and cooling services are provided to customers. Revenue is recognized when the heating and cooling has been provided to the customers.

Other income – work performed is recorded on a net basis as the Commission is acting as an agent for this revenue stream. All other amounts in other income are recorded on a gross basis and are recognized when services are rendered.

(j) Finance income and finance costs:

Finance income is recognized as it accrues in the statement of income, using the effective interest method.

Finance costs comprise interest expense on borrowings and amortizing of the discount rate on provisions.

(k) Set-off and reporting on a net basis:

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. For financial assets and financial liabilities, offsetting is permitted when, and only when, the Commission has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted:

The following standards which are not yet effective for the year ended December 31, 2020, have not been applied in preparing these financial statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

On May 14, 2020, the IASB issued *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)*.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early adoption is permitted.

The amendments provide guidance on the accounting for sale proceeds and the related production costs for items a company produces and sells in the process of making an item of property, plant and equipment (PPE) available for its intended use. Specifically, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On May 14, 2020, the IASB issued *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*.

The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. Early adoption is permitted.

IAS 37 does not specify which costs are included as a cost of fulfilling a contract when determining whether a contract is onerous. The IASB's amendments address this issue by clarifying that the 'costs of fulfilling a contract' comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of PPE used in fulfilling the contract.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

On January 23, 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify the classification of liabilities as current or non-current. On July 15, 2020, the IASB issued an amendment to defer the effective date by one year.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) New standards and interpretations not yet adopted (continued):

unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The Commission has assessed the potential impacts on its financial statements, and determined that the future pronouncements will not have a material impact on the Commission.

4. Cash and cash equivalents:

	2020	2019
Cash and cash equivalents	\$ 9,881	\$ 5,122
Cash and cash equivalents	\$ 9,881	\$ 5,122

The Commission has an agreement with a Canadian chartered bank for an operating line of credit in the amount of \$6,000 (2019 - \$6,000) bearing interest at prime minus 0.25%. The line of credit is unsecured.

5. Accounts receivable:

	2020	2019
Trade receivables	\$ 7,491	\$ 6,913
Unbilled revenue	5,120	5,085
Allowance for doubtful accounts	(55)	(92)
Accounts receivable	\$ 12,556	\$ 11,906

The Commission's exposure to credit risk and impairment losses related to trade receivables is disclosed in Note 18.

6. Inventory:

Inventory consists of parts and supplies acquired for internal construction, consumption or recoverable work.

The amount of inventory consumed by the Commission and recognized as an expense during 2020 was \$1,304 (2019 - \$1,110).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment:

(a) Cost:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2019	\$ 3,689	\$ 261,380	\$ 58,780	\$ 8,403	\$ 20,901	\$ 353,153
Additions	1	23,155	20,020	185	(18,496)	24,865
Disposals/retirements	-	(399)	-	-	-	(399)
Balance at December 31, 2019	\$ 3,690	\$ 284,136	\$ 78,800	\$ 8,588	\$ 2,405	\$ 377,619
Balance at January 1, 2020	\$ 3,690	\$ 284,136	\$ 78,800	\$ 8,588	\$ 2,405	\$ 377,619
Additions	98	25,067	285	285	1,580	27,315
Disposals/retirements	-	(176)	-	-	-	(176)
Balance at December 31, 2020	\$ 3,788	\$ 309,027	\$ 79,085	\$ 8,873	\$ 3,985	\$ 404,758

The Commission receives certain non cash customer contributions for subdivision and infrastructure projects, the total amount received by the Commission for the year ending December 31, 2020 was \$4,420 (2019 - \$884) and is included in additions.

(b) Accumulated depreciation:

	Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in-progress	Total
Balance at January 1, 2019	\$ 339	\$ 36,783	\$ 15,541	\$ 2,810	\$ -	\$ 55,473
Depreciation charge for the year	92	5,708	3,701	138	-	9,639
Disposals/retirements	-	(190)	-	-	-	(190)
Balance at December 31, 2019	\$ 431	\$ 42,301	\$ 19,242	\$ 2,948	\$ -	\$ 64,922
Balance at January 1, 2020	\$ 431	\$ 42,301	\$ 19,242	\$ 2,948	\$ -	\$ 64,922
Depreciation charge for the year	93	6,072	3,557	492	-	10,214
Disposals/retirements	-	(84)	-	-	-	(84)
Balance at December 31, 2020	\$ 524	\$ 48,289	\$ 22,799	\$ 3,440	\$ -	\$ 75,052

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment (continued):

(c) Carrying amounts:

		Land and buildings	Distribution and metering equipment	Plant and water treatment equipment	District energy system	Construction -in- progress	Total
December 31, 2019	\$	3,259	241,835	\$ 59,558	\$ 5,640	\$ 2,405	\$ 312,697
December 31, 2020	\$	3,264	260,738	\$ 56,286	\$ 5,433	\$ 3,985	\$ 329,706

8. Investment:

In 2014, a sinking fund was established with the intent to ensure sufficient funds are available to settle the long-term borrowings of the Commission issued November 6th, 2012 with a maturity date of November 6th, 2042 in the amount of \$52,000. Annual payments are expected to be completed to satisfy the obligation.

Investments are recorded at fair value as of December 31, 2020, and are invested in fixed income and equity markets as established by the Commission's investment policy.

	2020			2019		
	Fixed Income	Equity	Total	Fixed Income	Equity	Total
Investment	\$ 10,829	\$ -	\$ 10,829	\$ 9,756	\$ -	\$ 9,756
Investment, sinking fund	8,325	2,899	11,224	7,728	1,855	9,583
	\$ 19,154	\$ 2,899	\$ 22,053	\$ 17,484	\$ 1,855	\$ 19,339

9. Accounts payable and accruals:

	2020	2019
Trade payables	\$ 4,062	\$ 7,290
Accrued expenses	1,737	1,238
	\$ 5,799	\$ 8,528

Information about the Commission's exposure to currency and liquidity risk is included in Note 18.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

10. Customer deposits:

Customer deposits represent cash deposits from water distribution commercial customers.

Customer deposits comprise:

	2020	2019
Customer deposits	\$ 374	\$ 461
Less: current portion	(96)	(101)
	\$ 278	\$ 360

11. Deferred revenue – customer contributions:

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue from customers is \$13,832 (2019 - \$9,620). Deferred revenue is recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

12. Long-term borrowings:

Long-term borrowings comprise:

	2020	2019
Revolving loan payable requiring interest payments only of \$2,150 until maturity on November 6, 2042. The loan is unsecured and bears interest at an effective interest rate of 4.134%.	\$ 52,000	\$ 52,000
Less: Unamortized debt issuance costs	(603)	(619)
	\$ 51,397	\$ 51,381

The revolving loan is due to Windsor Canada Utilities Ltd. ("WCUL"), a 100% owned subsidiary of the Corporation of the City of Windsor. On November 6, 2012, WCUL issued a \$103,000 debenture from which proceeds of \$52,000 were advanced to the Commission under this loan agreement. As a condition of the debentures issued by WCUL and loan to the Commission, the Commission provided a limited recourse guarantee in favour of the debenture holders in the amount of \$52,000. The Commission incurred interest expense in respect of the loan of \$2,150 (2019 - \$2,150).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Employee future benefits:

The Commission pays certain health, dental and life insurance benefits on behalf of its retired employees. Significant assumptions underlying the actuarial valuation include the Commission's best estimate of the interest (discount) rate, expected health and dental care costs, on the advice of the actuaries.

The Commission measures its accrued benefit liability for accounting purposes as at December 31 each year. A valuation date of December 31, 2019, with extrapolation to December 31, 2020, has been used to calculate the current liability. The Commission's employee future benefit liability consists of the following:

	2020	2019
Accrued benefit liability	\$ 4,579	\$ 4,431
Workers compensation liability	86	206
	<u>\$ 4,665</u>	<u>\$ 4,637</u>

Information about the Commission's unfunded defined benefit plan is as follows:

Changes in the present value of the defined benefit liability:

	2020	2019
Defined benefit liability, beginning of year	\$ 4,431	\$ 5,356
Interest cost	134	208
Actuarial loss (gain) on liability recognized in other comprehensive gain	266	(864)
Benefits paid for the year	(252)	(269)
Defined benefit liability, end of year	<u>\$ 4,579</u>	<u>\$ 4,431</u>

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Employee future benefits (continued):

Components of net benefit expense recognized are as follows:

	2020		2019	
Interest cost	\$	134	\$	208
Total benefit expense recognized	\$	134	\$	208

The main actuarial assumptions underlying the valuation are as follows:

(a) Health care cost trend rates:

The health care cost trend for prescription drugs is estimated to increase at 6.4% in 2021 grading down to 4.0% by 2041. Other health expenses are estimated to increase at 4.95% grading down to 4.0% by 2041. Dental expenses are estimated to increase at 4.0% per year.

(b) Discount rate:

The liability at the period end and the present value of future liabilities were determined using a discount rate of 2.6% (2019 – 3.1%) representing an estimate of the yield on high quality corporate bonds as at the valuation date.

(c) Mortality decrement:

Assumptions regarding future mortality rates are based on published statistics and mortality tables.

A 1% or one year change in actuarial assumptions, assuming all other factors remain constant, have the following impact on the defined benefit liability carrying amount:

	December 31, 2020		December 31, 2019	
	Increase	Decrease	Increase	Decrease
Health care trend rate (1% change)	\$ 531	\$ (447)	\$ 470	\$ (398)
Discount rate (1% change)	(491)	594	(472)	571
Mortality (1 year)	259	(247)	223	(213)

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Revenue:

The Commission generates revenue primarily from the sale and distribution of water to its customers. Other sources of revenue include revenue from District Energy and Other income. Additional information is provided in Note 15 detailing the components of Other income.

In the following table, revenue from distribution of water is disaggregated by component:

	2020	2019
Fixed revenue	\$ 19,042	\$ 18,300
Consumption revenue	16,695	16,443
Suburban wholesale revenue	3,394	3,274
Water main levy	16,082	15,636
Total revenue from distribution of water	\$ 55,213	\$ 53,653

15. Other income:

Other income comprises:

	2020	2019
Water billing and customer care charges	\$ 108	\$ 115
Collection and late payment charges	61	70
Development and miscellaneous charges	1,229	718
Loss on disposal of property, plant and equipment	(92)	(210)
Total other income	\$ 1,306	\$ 693

16. Finance expense (income):

	2020	2019
Finance income:		
Interest income on investment	\$ (589)	\$ (731)
Interest income on bank balances	(92)	(206)
	(681)	(937)
Finance expense:		
Interest expense on long-term borrowings	2,150	2,150
Discount on long-term borrowings	16	16
Interest paid to related parties	58	89
	2,224	2,255
Net finance expense	\$ 1,543	\$ 1,318

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions:

(a) Parent and ultimate controlling party:

The parent is the Corporation of the City of Windsor. The City produces financial statements that are available for public use.

(b) Key management personnel:

The key management personnel of the Commission has been defined as members of its Board of Commissioners. The executive management team members are employees of ENWIN and allocated to the Commission based on a shared services model. These allocated costs are disclosed in Note 17 (d).

Key management compensation:

	2020	2019
Salaries and other short-term benefits	\$ 65	\$ 62
	\$ 65	\$ 62

(c) Transactions with parent:

The City tenders and contracts for capital watermain projects and road repairs on behalf of the Commission. The total amount charged to the Commission for the year ending December 31, 2020 was \$7,305 (2019 - \$8,918).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(d) Transactions with entities under common control and parent company:

WSOA:

The Commission and ENWIN agreed under the WSOA, that ENWIN would provide all operational, management, administrative, maintenance and construction services for the Commission as required to operate the water distribution system including District Energy. Under the WSOA, ENWIN prepares the Water System Financial Plans, operating expense plans and capital plans with respect to the Commission's business as required to operate, maintain, administer and invest in the Commission and its facilities. The Commission reviews the plans on the basis of whether ENWIN, upon executing the plan will be compliant with the terms and conditions of the Water System Financial Plan, the WSOA and applicable laws, permits and material contracts.

The Commission has agreed to reimburse ENWIN for all operational and capital expenses on a fully allocated cost basis. All employees required to operate the water distribution system, including District Energy, as well as the key management employees are retained by ENWIN. The Commission incurs staffing costs associated with the allocation of these employees however does not have any employee obligations except the Commission's retirees and the long term receivable for the past service costs related to post retirement benefits on the transfer of employees as established in the Employee Arrangement Agreement.

Under the WSOA, the total amount allocated and charged to the Commission for the year ended December 31, 2020 was \$18,850 (2019 - \$19,689).

The key management personnel allocated by the shared services model under the WSOA, to the Commission are executive management team members of ENWIN.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(d) Transactions with entities under common control and parent company (continued):

WSOA (continued):

Allocated key management compensation:

		2020		2019
Allocated salaries and other short-term benefits	\$	629	\$	595
Post-employment benefits		17		8
	\$	646	\$	603

(e) Amounts due to related parties:

Accounts payable due to related parties consist of:

		2020		2019
Due to company under common control:				
Due to ENWIN Utilities Ltd.	\$	1,408	\$	477
Due to Windsor Canada Utilities Ltd.		40		8
Due to parent:				
Due to the Corporation of the City of Windsor		4,165		1,047
	\$	5,613	\$	1,532

The amounts due to ENWIN, WCUL and the City are due on demand and are non-interest bearing.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Related party transactions (continued):

(e) Amounts due to related parties (continued):

Long-term payable due to related parties consist of:

	2020	2019
Due to ENWIN Utilities Ltd.	\$ 1,233	\$ 2,055
Less: Current portion, included in accounts payable to related parties	(822)	(822)
	\$ 411	\$ 1,233

This long-term payable is non-interest bearing and resulted from the Employee Arrangement Agreement and is amortized over the estimated average remaining service life at the time of the agreement which was 9.5 years payable each November.

18. Financial instruments and risk management

The carrying values of cash and cash equivalents, investments, accounts receivable, accounts payable and accruals approximate fair values because of the short maturity of these instruments. All fair values are categorized as Level 1 in the fair value hierarchy. No transfers have occurred during the year between levels of the fair value hierarchy.

The following table illustrates the classification of the Commission's financial instruments using the fair value hierarchy as at December 31:

	2020			2019		
Assets	Level 1	Level 2	Total	Level 1	Level 2	Total
Investment	\$ -	\$ 10,829	\$ 10,829	\$ -	\$ 9,756	\$ 9,756
Investment, sinking fund	2,899	8,325	11,224	1,855	7,728	9,583
	\$ 2,899	\$ 19,154	\$ 22,053	\$ 1,855	\$ 17,484	\$ 19,339

The Commission's activities provide for a variety of financial risks, particularly credit risk, market risk, liquidity risk, currency and interest rate risk.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(i) Credit risk:

The aging of trade receivables at the reporting date was:

	2020	2019
Not past due	\$ 9,619	\$ 10,635
Past due 0 – 30 days	1,154	932
Past due 31 – 90 days	740	175
Greater than 90 days	1,098	256
	<u>\$ 12,611</u>	<u>\$ 11,998</u>

The carrying amount of the Commission's financial assets represent the maximum credit exposure.

Financial assets carry credit risk that a counter-party will fail to discharge an obligation which would result in a financial loss. Financial assets held by the Commission, such as accounts receivable, expose it to credit risk. The Commission earns its revenue from a broad base of customers located in the City of Windsor and two neighbouring municipalities. One customer accounted for 12% (2019 - 12%) of revenue. No other single customer in either year would account for revenue in excess of 5% of the respective reported balances.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in the statement of income and other comprehensive income. Subsequent recoveries of receivables previously provisioned are credited to the statement of income. The balance of the allowance for impairment at December 31, 2020, is \$55 (2019 - \$92). Two customers accounted for greater than 10% of the accounts receivable at year end (2019 - one customer accounted for greater than 10%).

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(i) Credit risk (continued):

A continuity of the allowance for impairment amount is as follows:

	2020	2019
Balance, beginning of year	\$ 92	\$ 95
Accounts receivable balance write-offs	12	21
Change in provision for doubtful accounts	(49)	(24)
Balance, end of year	\$ 55	\$ 92

The Commission's credit risk associated with accounts receivable is primarily related to payments from customers for recoverable work. At December 31, 2020, approximately \$58 (2019 - \$94) is considered 90 days past due.

Credit risk is managed through collection of security deposits from contractors. As at December 31, 2020, the Commission holds security deposits in the amount of \$331 (2019 - \$476) and is included in accounts payable on the balance sheet.

(ii) Market risk:

Market risks primarily refer to the risk of loss that results from changes in commodity prices, foreign exchange rates, and interest rates. The Commission is exposed to market risks within the investment portfolio. A portion of the portfolio is invested in equities which are subject to market volatility. For sensitivity purposes, a 1% change would result in a change of \$29 (2019 - \$19) on the balance sheet and statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(iii) Liquidity risk:

Liquidity risk is the risk that the Commission will not be able to meet its obligations associated with financial liabilities. The Commission monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Commission's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest expense. The Commission has access to a line of credit and monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

The following are the contractual maturities of financial liabilities including estimated interest payments:

December 31, 2020	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 5,799	\$ -	\$ -	\$ -	\$ -	\$ 5,799
Accounts payable to related parties	4,791	822	-	-	-	5,613
Customer deposits	24	24	48	278	-	374
Long-term payables to corporations under common control	-	-	411	-	-	411
Long-term borrowings	-	-	-	52,000	(603)	51,397
	\$ 10,614	\$ 846	\$ 459	\$ 52,278	\$ (603)	\$ 63,594

December 31, 2019	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
Accounts payable and accruals	\$ 8,528	\$ -	\$ -	\$ -	\$ -	\$ 8,528
Accounts payable to related parties	710	822	-	-	-	1,532
Customer deposits	25	26	50	360	-	461
Long-term payables to corporations under common control	-	-	822	411	-	1,233
Long-term borrowings	-	-	-	52,000	(619)	51,381
	\$ 9,263	\$ 848	\$ 872	\$ 52,771	\$ (619)	\$ 63,135

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

18. Financial instruments and risk management (continued):

(iv) Capital disclosures:

The main objectives of the Commission when managing capital are to ensure ongoing access to funding to maintain and improve the water distribution system and ensure adequate cost recovery.

The Commission's debt to equity ratio at the end of the reporting period was:

	2020	2019
Total liabilities	\$ 82,091	\$ 77,392
Total equity	292,816	272,682
Debt to equity ratio at December 31	0.28	0.28

The Commission has customary covenants typically associated with long-term debt. The Commission is in compliance with all credit agreement covenants and limitations associated with its long-term debt.

(v) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission is subject to variable interest rate cash flow risk with respect to its investments. The Commission has addressed this risk by entering into fixed interest rates on invested funds and debts.

(vi) Currency risk:

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates. The Commission is exposed to currency risk through its foreign currency denominated bank and investment accounts. A weakening or strengthening of the Canadian dollar can affect the cash flows. This risk is monitored by investment managers and the exposure is limited to these accounts. For sensitivity purposes, a 1% change in the Canadian dollar would result in a change of \$17 (2019 - \$11) on the balance sheet and the statement of income.

WINDSOR UTILITIES COMMISSION

Notes to the Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

19. Commitments and contingencies:

Commitments

Contractual Obligations

At year end, the Commission is committed to capital projects of approximately \$3,974 (2019 - \$1,192). These capital projects continue the investment in the Commission's watermain infrastructure throughout the City of Windsor. These project contracts were awarded in 2020 and will be completed during the next reporting period.

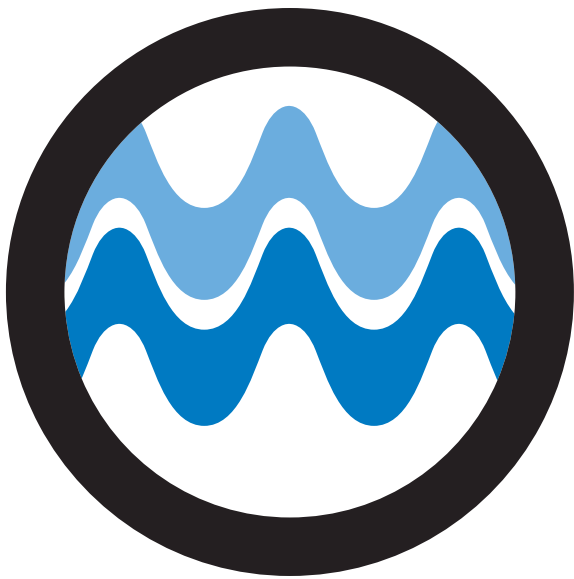
Contingencies

General

From time to time, the Commission is involved in various litigation matters arising in the ordinary course of its business. The Commission has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Commission's financial position, results of operations or its ability to carry on any of its business activities.

20. Effects of COVID-19:

On March 11, 2020, the World Health Organization characterized the COVID-19 outbreak as a pandemic. The impact of the outbreak on the financial results of the Commission will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The federal government of Canada has implemented various government programs to respond to the negative economic impacts of COVID-19. The continued development and impact of COVID-19 on the Commission and the overall economy are highly uncertain and cannot be determined at this time. Management is actively monitoring the situation.



WINDSOR UTILITIES COMMISSION

Dedication



Caring



Quality
of
Life



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CHALLENGE + DEDICATION = RESILIENCY



Mayor Drew Dilkens
Board Chair
B. Comm., JD, MBA, DBA,
CHRL, C. Dir.

2020 was not a year for complacency.

As COVID-19 hit Windsor, Ontario, we mobilized quickly, across sectors, to respond to the needs of the community. As the pandemic progressed, we saw dramatic models from provincial health authorities that highlighted the spread and impact across our province and ultimately identified Windsor-Essex as a hot spot for the spread of this unprecedented global pandemic.

Necessary restrictions caused significant economic harm for local families and small businesses, and this only increased as the second wave of COVID-19 hit our community in December.

But, with the resiliency one would expect in Windsor, we rose to the occasion.

We vowed that COVID-19 would not win. We geared up to work hard – to work together – to stem the curve, save lives and offer help to those in need. With every new setback, we strengthened our resolve and fortified our efforts.

As Chair of the Board of Windsor Canada Utilities, shareholder of the ENWIN companies, I am proud to say that ENWIN and its employees led by shining example, facing every new challenge with strength and resiliency.

Not only did these front-line workers maintain their daily obligations to their community, their company and their sector, they stepped up to offer enhanced safety, communications and community support options – meeting the vital needs of those who were hardest hit by the economic hardships associated with COVID-19.

ENWIN proved what we already know about Windsor – no challenge is too big, and no opportunity too small, to be embraced in the name of supporting community.

As always, ENWIN's leaders met their obligation to provide the safe, reliable delivery of electricity and water – commodities essential to maintaining our daily lives – and in doing so, achieved the capital plan, in both our water and electricity divisions, despite the restrictions of the COVID-19 pandemic.

And at the same time, they stretched sufficiently to plan for the unthinkable, in a time of extreme stress, uncertainty and turmoil – always looking to the needs of the customer before all else.

That kind of strength and dedication inspires trust and admiration.

As 2021 unfolds, I look for a resolution to this dark and challenging time. Until then, I

remain proud to support the work of the talented and dedicated team at ENWIN – proud to embrace my role as chair of its governing body.

Together, we will continue to support and fortify our community, so that we may all come through this crisis together.

Sincerely,



Mayor Drew Dilkens
Board Chair
Windsor Canada Utilities Ltd.

Resolve + Collaboration

= Vitality

Throughout a very stressful year of COVID-19 demands, ENWIN continued to work closely with the City of Windsor to ensure that residents and businesses received the safe, reliable supply of electricity and water they needed.



CARING + DEDICATION = CUSTOMER FOCUS



Helga Reidel
President & CEO
FCPA, FCA, ICD.D

2020 was a year of unprecedented challenge and change across the globe. In Ontario, we were hit with two increasingly intense waves of the COVID-19 pandemic, with the second wave hitting just in time for our winter season.

Here in Windsor, we faced the last few weeks of 2020 as an Ontario hot spot for COVID-19, experiencing further lockdowns and restrictions as our numbers climbed. We are grateful for the dedication of our municipal government, health authorities, first responders and customers for their hard work towards reversing this trend.

But, most of all, at ENWIN we are grateful for our employees – our own front-line heroes, who managed to maintain our electricity and water service, roll out government programs to aid customers, devise and implement alternative work arrangements to keep everyone safe, and still address a very full, ongoing agenda of daily duties.

Even as they drafted and updated flexible, detailed plans to keep both customers and employees safe, they continued their daily work in infrastructure renewal, and electricity and water delivery. Even as they were reaching out to customers with the helpful news of summer and winter suspensions of residential hydro and water disconnections, tailored payment

plans to meet financial needs, enhanced community support and communication, ENWIN employees were addressing the company's need to continue to build for growth and sustainability.

We recognize that this hasn't been easy, and we applaud their tenacity and dedication.

Results from our annual customer satisfaction survey, conducted in the fall of 2020 by leading sector data analysts at UtilityPULSE, indicate that our customers also appreciate these efforts. They scored ENWIN above the provincial and national survey scores for Credibility and Trust, with an overall Satisfaction Rate of 92%.

It was challenging to find the time and resources needed to respond to COVID-19, while sustaining our business and offering a strong energy and water future for our customers.

We are proud of this achievement.

In the midst of the global pandemic, ENWIN completed a site renovation that consolidated our employees from our two largest locations under one roof. This reduced overhead costs and, over time, is expected to enhance operational efficiency through proximity. We overhauled our corporate board structure to accommodate more efficient oversight of ENWIN Energy

(EWE), while we planned for the diversification of business lines under this subsidiary.

We continued to hire the strongest candidates to fill openings created through retirement and internal restructuring. We continued to address ongoing corporate training, successfully completing safety and financial audits and winning awards for diversity, inclusion and electrical safety communications.

As we move forward into 2021, we recognize the stresses our customers and employees have endured over the past many months and we are dedicated to taking every opportunity to help, wherever we can. At the same time, we are committed to exploring every option to fortify and sustain the future of energy and water for our City.

I am proud to lead the ENWIN team, and I look forward to working together to support the needs of our community, whatever challenges we may face.

Sincerely,



Helga Reidel
President & CEO
Windsor Canada Utilities Ltd.



ENWIN received the ESA Safety Campaign Award at the EDA Awards Ceremony, pre-COVID-19, in February 2020. This award recognizes ENWIN for its Safety PowerPlay educational partnership with the Windsor Spitfires.

COMPANY PROFILE

WINDSOR CANADA UTILITIES LTD.

Windsor Canada Utilities Ltd. (WCU), the Company or the Corporation, is 100 percent owned by The Corporation of the City of Windsor. It is a private company, registered under the Ontario Business Corporations Act, and overseen by a Board of Directors consisting of six (6) members appointed by City Council; four (4) of these members are City Councillors. The core businesses of the Corporation, through its regulated and unregulated affiliates, are electricity and water distribution and other utility services. The Company owns and operates two subsidiary companies.

ENWIN UTILITIES LTD.

ENWIN Utilities Ltd. (ENWIN or EWU), the first of these two subsidiaries, is a regulated electricity Local Distribution Company (LDC) operating in the City of Windsor. ENWIN maintains an electricity distribution system that serves approximately 90,000 residential and commercial customers. As a condition of its distribution license, ENWIN was required in 2019 to meet Conservation and Demand Management (CDM) targets established by the Ontario Energy Board (OEB). In 2020, the CDM business was concluding a wind-down, due to provincially mandated changes, and

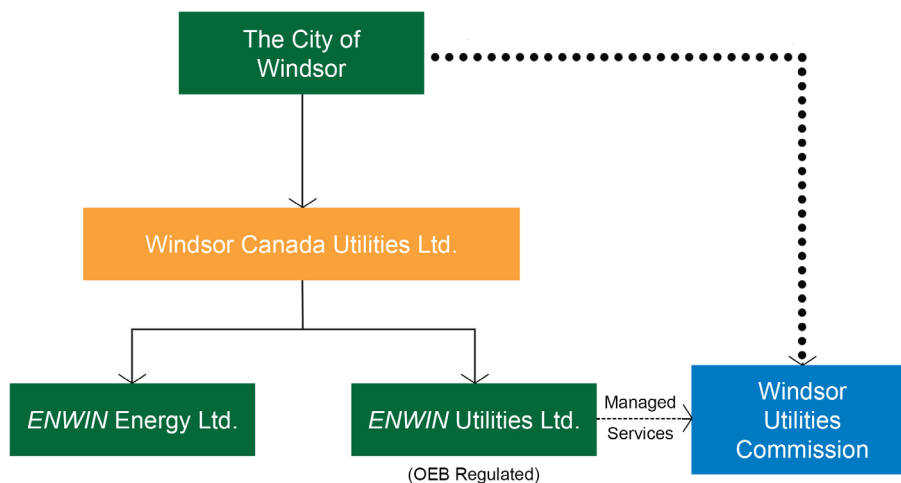
associated OEB license changes. ENWIN also maintains a contract of service with the Windsor Utilities Commission (WUC) to manage WUC's administrative and operational functions and to supply water to the customers in Windsor and two neighbouring towns.

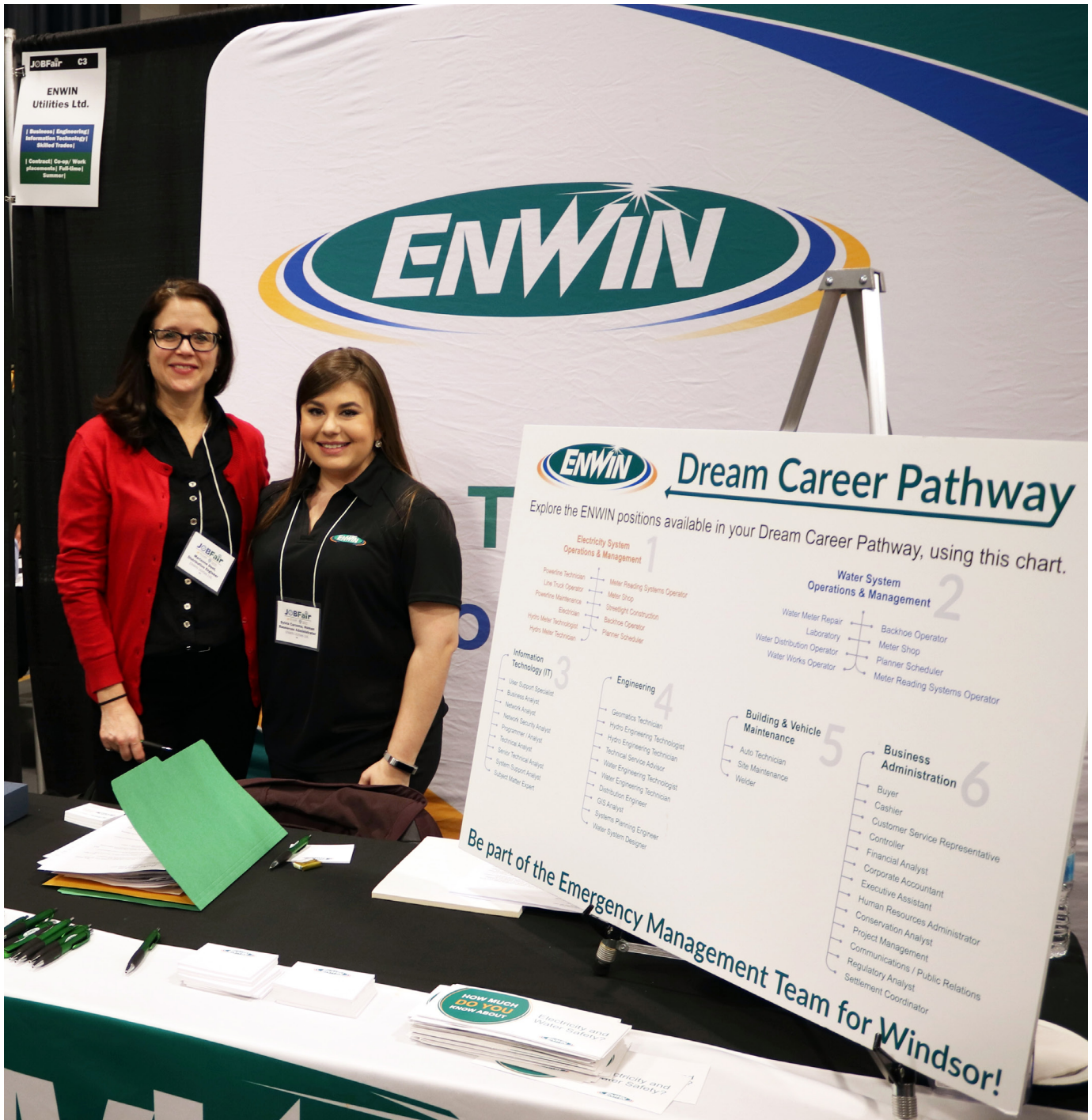
ENWIN ENERGY LTD.

ENWIN Energy Ltd. (EWE), the second of these subsidiaries, provides streetlight and sentinel light maintenance services to the City of Windsor and residents, as well as engaging in partnerships to offer energy related services.

WINDSOR UTILITIES COMMISSION

The WINDSOR UTILITIES COMMISSION (WUC) owns the water treatment and distribution system in the City of Windsor, and is responsible for setting water rates for customers in Windsor. WUC has contracted with EWU to manage the treatment and distribution of potable water to residents and businesses in Windsor, as well as wholesale water transmission to the neighbouring towns of Tecumseh and LaSalle. WUC also owns a District Energy System operating in downtown Windsor.





The ENWIN team supports diversity and inclusion at a pre-COVID-19 event with Build a Dream, Windsor.

CORPORATE GOVERNANCE

WCU is committed to establishing and maintaining leading governance practices based on its size and mandate. Because governance standards and best practices are always evolving, the company seeks to continuously improve its practices.

WCU is a private, for-profit company, incorporated under the Ontario Business Corporations Act.

At the same time, the Company is wholly owned by the City of Windsor and, through its wholly owned subsidiaries, fulfills a public mandate. It is, therefore, mindful of its responsibility to be accountable both to its shareholder and the public.

The Company's governance practices are determined, not simply by legal obligations, but by best business practices and standards established by independent agencies.

While WCU is not a reporting issuer under the Securities Act and is therefore not subject to governance standards that apply to publicly traded companies, the Company is guided by these standards and strives to meet or exceed them.

GOVERNANCE STRUCTURE

Accountability for the effective oversight of WCU and its wholly owned subsidiaries, EWU and EWE, rests with a six-member Board of Directors, which provides direction on behalf of the shareholder, the City of Windsor.

The Board provides leadership within a framework of effective controls that enable risks to be assessed and managed. The Board is responsible for supervising the management of the business affairs of WCU and its wholly owned subsidiaries.

In carrying out its oversight function, the Board of Directors is guided by a shareholders' direction issued by Windsor City Council and revised from time to time. The Board adheres to the City's Code of Conduct for Members of Council and Local Boards.

A separate Board of Directors was established to oversee the operations of EWU, in accordance with the Affiliate Relationships Code for Electricity

Distributors and Transmitters, and governance best practices issued by the Ontario Energy Board. The powers and functions of that Board are set out in a shareholder declaration issued by the WCU Board of Directors.

On a day-to-day basis, the Corporation is led by an executive management team comprised of the President and Chief Executive Officer, the Chief Financial Officer and the senior executives of the critical functional areas.

This team oversees the alignment of business practices and strategies with the goals of the Company and drives performance by managing risks and opportunities. The executive management team is accountable to the corporations' Boards of Directors through the President and Chief Executive Officer.

APPOINTMENTS TO THE BOARD OF DIRECTORS

The governance structure for WCU and its wholly owned subsidiaries includes three

Accountability + Best Practices = Governance

Commitment + Qualifications = Leadership

boards of directors – the WCU Board, the EWU Board and the EWE Board. In August 2020, following the resignation of the Chair of the EWE Board, the shareholder (WCU) decided to restructure the EWE Board, enabling WCU to manage the affairs of EWE through a common set of board members for both entities. As the lines of business in EWE are currently limited, this is a more efficient oversight structure until such time as the business lines of EWE diversify.

The City of Windsor appoints all Directors to the WCU Board. In doing so, the City considers candidates who may be recommended by the WCU Nominating Committee, but is not obliged to select these candidates.

As set out in the shareholders direction, all candidates for appointment to the Board must meet certain requirements, including demonstrated integrity and high ethical standards, relevant career experience and expertise and an understanding of the role of WCU and its subsidiaries, both as services to local ratepayers and as assets of taxpayers.

In addition, the selection process is designed to maintain a board that includes the following overarching competencies among one or more directors:

- A strong business background, including competitive business experience and strategic planning;
- A strong financial background, including financial accreditation and public or private market financing experience;
- Industry sector experience in the areas of business of the subsidiary companies; and
- Governance/Board experience.

All new Directors undergo an orientation and education program upon their appointment to the Board. Ongoing training opportunities are available to Board members during their tenure.

COMMITTEES

The following Committees were created to help the Boards of Directors carry out their duties. The committees meet regularly and

provide feedback on their discussions to their respective Boards.

Audit and Finance Committee (WCU and EWU)

The Audit and Finance Committees review financial statements, accounting practices and policies, auditing processes and the results of internal and external audits and related matters. These committees also oversee financial risk management and assess internal controls.

Governance and Human Resources Committee (EWU)

The Governance and Human Resources Committee reviews the Corporation's governance structures and provides oversight to policies and practices impacting employees.

Executive Committee (EWU)

The Executive Committee reviews and assesses the performance of the President and Chief Executive Officer, on behalf of the Board of Directors, and provides input, advice and guidance to the President & CEO regarding strategic direction of the companies.

Nominating Committee (WCU)

The Nominating Committee considers vacancies and expiring terms on the Board and makes recommendations to the Boards of Directors.



ENWIN's skilled powerline employees worked hard throughout the pandemic year to provide safe, reliable power.

Leadership + Dedication = Sustainability

WINDSOR CANADA UTILITIES LTD.

Drew Dilkens (Chair)

B. Comm., JD, MBA, DBA, CHRL, C. Dir.
Mayor, City of Windsor

Fred Francis, BA, MA, B.Ed

Councillor, City of Windsor
Ward 1

Jim Morrison, PFP

Councillor, City of Windsor
Ward 10

Jo-Anne Gignac (Vice-Chair)

Councillor, City of Windsor
Ward 6

Kevin Laforet, B.Comm, CPA, CA

Regional President (Canada)
Caesars Entertainment

Jerry Udell, BA, LL.B, C.S.

Senior Counsel
Miller Canfield

ENWIN UTILITIES LTD.

Drew Dilkens (Chair)

B. Comm., JD, MBA, DBA, CHRL, C. Dir.
Mayor, City of Windsor

Abe Taqtaq (Vice-Chair), BA

President
CD Ventures & Consulting Inc.

George Wilkki, P.Eng, LL.B.

Retired City Solicitor
City of Windsor

Jo-Anne Gignac

Councillor, City of Windsor
Ward 6

Andrea Orr

LL.M, CGA, CPA, CIRP, LIT
Licensed Insolvency Trustee

Garnet Fenn, MBA, DBA (Candidate),
FCPA, FCA, FCMA, FCGA (ON), Member
of the AICPA Institute, CGMA, PFP (MI),
CIM, FCIS, FCSI, ICD.D, P.Ad., Acc.Dir.
Accountant and Financial Consultant

Leo Muzzatti, LL.B, B.Ed

Director of Human Resources and
Strategy Management, Assisted Living
Southwestern Ontario (Windsor)

Gregory Ioanidis, BMath, MBA

(Effective 8/20/2020)
Former Vice President
ITC Holdings Corp.

ENWIN ENERGY LTD.

Eddie Francis (Chair), JD, HBSc

(Prior to 6/23/2020)
President and CEO,
WFCU Credit Union

Kieran McKenzie, BA

(Prior to 8/20/2020)
Councillor, City of Windsor
Ward 9

Fred Francis, BA, MA, B.Ed

(Effective 8/20/2020)
Councillor, City of Windsor
Ward 1

Drew Dilkens (Vice-Chair - Prior to 8/20/2020, Chair - Effective 8/20/2020)

B. Comm., JD, MBA, DBA, CHRL, C. Dir.
Mayor, City of Windsor

Jo-Anne Gignac (Vice-Chair)
(Effective 8/20/2020)

Councillor, City of Windsor
Ward 6

Jerry Udell, BA, LL.B, C.S.
(Effective 8/20/2020)

Senior Counsel
Miller Canfield

Rhea de Verteuil, BSc

(Prior to 8/20/2020)
Director of People & Processes
Sandalwood Engineering & Ergonomics

Kevin Laforet, B.Comm, CPA, CA

(Effective 8/20/2020)
Regional President (Canada)
Caesars Entertainment

Gregory Ioanidis, BMath, MBA

(Prior to 8/20/2020)
Former Vice President
ITC Holdings Corp.

Jim Morrison, PFP

(Effective 8/20/2020)
Councillor, City of Windsor
Ward 10

STRATEGIC OVERVIEW

The strategic focus of Windsor Canada Utilities places the customer at the top of everything we do.

WCU believes that a sharp focus on the value its subsidiaries provide to customers will generate positive results in all areas of performance — including financial strength, business growth, operational efficiency, effectiveness and contributions to the community.

WCU's focus is people, both externally — our customers, our community and our stakeholders — and internally — our employees.

OUR STRATEGIC PLAN

In February 2020, the Boards of Directors of the ENWIN Group of Companies including WUC ratified and approved the details of the strategic plan, the framework of which had been developed in 2019.

For 2020 and beyond, a number of strategic priorities were determined for each company. These are summarized in the following charts and will be reported against in future years.

Windsor Canada Utilities Ltd.

- Fiscal Sustainability, Dividends, Capital / Debt Management
- Long Term System Sustainability including Consideration of MAADs Opportunities

ENWIN Utilities Ltd.

- Enhance the Customer Experience
- Effective Cost Management / Continuous Improvement and Innovation
- Invest in People (Safety, Resourcing, Succession Planning, Engagement, Diversity)

ENWIN Energy Ltd.

- Find Business Opportunities for EWE
- Quality and Innovation
- Maintain Streetlight Business

Windsor Utilities Commission

- Regionalization / Security of Water Supply
- Investment in Infrastructure / Cost-effective Water Supply (Safety and Reliability)
- District Energy (Invest / Divest)

Focus + Performance = Value

MISSION VISION AND VALUES

MISSION VISION AND VALUES

Our mission is to provide safe, reliable energy and water services in a cost effective, sustainable manner. A core premise of our strategic direction is that the electricity service model is in the midst of significant transformation — taking on a more decentralized, customer-centric, technologically advanced and environmentally sustainable form.

That is why the Boards of Directors, in 2019, renewed this mission with the added priority of ensuring that our business remains sustainable.

Sustainability means different things to different organizations.

To the ENWIN Group, it means ensuring that we have the human, fiscal and capital asset resources to continue to provide existing and modernized service levels to the community, while also ensuring that we assess our environmental footprint to balance our use of resources.

Our vision is to be a trusted leader in providing exceptional value and services to our customers and stakeholders.

As the energy and water needs and options of our customers and our community evolve — and as signature projects and developments proceed — WCU, through its affiliates, will

play a leading role in helping our city to transition to a smart energy future.

While we embrace our role in the service of electricity distribution, we also acknowledge our expertise in the provision of potable water as a future demand, not just for our existing customers, but for our future customers.

OUR MISSION

To provide safe and reliable energy and water services in a cost effective, sustainable manner.

OUR VISION

To be a trusted leader in providing exceptional value and services to our customers and stakeholders.

OUR CORE VALUES

Leadership • Accountability • Integrity

Value + Service = Trust

FIVE AREAS OF FOCUS

The ENWIN Group's strategic themes fall into five areas of focus: Customer Service, People & Culture, Quality & Innovation, Organizational Sustainability and Community & Partnerships.

Our Strategic Compass



People + Quality = Sustainability

FOCUS: CUSTOMER SERVICE

We will deliver exceptional value to our customers by:

- Committing to the safe and reliable delivery of cost-effective power and water services;
- Engaging and informing our customers about our business and its impact on them; and
- Understanding customer expectations, then defining, measuring and improving our service excellence, responsiveness and customer satisfaction.

FOCUS: ORGANIZATIONAL SUSTAINABILITY

We will create sustainable performance, as well as owner and stakeholder value by:

- Developing, implementing and monitoring plans to achieve long term operational efficiencies and system reliability;
- Continuously enhancing processes to maintain a financially viable organization;
- Ensuring effective governance and leadership;
- Planning for succession and developing and transferring knowledge;
- Defining, measuring and achieving targets; and
- Safeguarding private data and system security from unauthorized access.

FOCUS: PEOPLE & CULTURE

We will provide a safe workplace with diverse, highly skilled and engaged employees by:

- Striving consistently for the highest health and safety standards and performance for our employees and the public;
- Retaining, recruiting and developing the right people in the right roles and ensuring they deliver their best;
- Providing opportunities for staff to develop and grow into the leaders of tomorrow; and
- Fostering a culture of high performance, initiative and accountability.

FOCUS: COMMUNITY & PARTNERSHIPS

We will support the success of our community by:

- Contributing to our customers' and other stakeholders' economic development opportunities;
- Collaborating and partnering strategically with other organizations to drive operational excellence, productivity and innovation; and
- Delivering on our obligations mandated by the government, including educating the community to promote conservation and protect resources.

FOCUS: QUALITY & INNOVATION

We will achieve operational excellence by:

- Championing continuous improvement, including technical innovation, productivity and cost performance throughout the organization;
- Planning and investing prudently to meet the future needs of our customers;
- Measuring and acting on best practice metrics for reliability and quality; and
- Recognizing and rewarding innovation, responsiveness and leadership.



ENWIN employees accept the New Business Partner VIP Award at the Women's Enterprise Skills Training of Windsor Inc. (WEST) celebration of International Women's Day, pre-COVID-19 at the St. Clair Centre for the Arts.



On site with telecommunications partners Cogeco and MNSI supporting digital communications infrastructure.

CAPABILITY TO DELIVER RESULTS

WCU's capability to achieve the objectives set out in its strategic direction is a function of its assets and expertise, both tangible and intangible, and its systems and capital resources.

ASSETS

WCU's total assets are \$428 million as at December 31, 2020. Its largest subsidiary, EWU, had significant ongoing investments in distribution infrastructure in 2020.

EWU continues to be affected by the reality of aging infrastructure, which is a factor for many utilities. EWU manages this through increased infrastructure investments and a detailed plan to target distribution system spending where it will have the most benefit.

In 2020, \$16.7 million was invested to maintain and expand the distribution system and related infrastructure to meet customer needs. These investments are having the desired impact, as the company continues to maintain electricity service reliability.

ELECTRICITY DISTRIBUTION ASSETS

EWU and its predecessor companies have delivered a reliable supply of electricity to homes and businesses in Windsor for more than 100 years.

- Service Area (km²): 121
- Overhead Primary Circuitry (km): 680.7
- Underground Primary Circuitry (km): 469.4
- Bulk Transformer Stations (owned by EWU): 5
- Feeders: 49
- Distribution Transformers: 8,337
- Station Transformers: 10

RENEWABLE GENERATION

EWU continued to help its customers contribute to the greening of the electricity supply — and reduce their electrical costs — by supporting their installation of solar panels.

In 2020, the company connected 680 new load customers, which was the highest number of new connections in the last 10 years. New generation connections dropped from 109 in 2018 to only 5 in 2019 and 8 in 2020. The decrease was due to the ending of provincial subsidies for new generators in 2019.

EXPERTISE

Our focus on people and culture recognizes the importance of the employees whose talent, dedication and daily work support the vision and mission of the company.

Our success depends on a highly skilled, well trained, knowledgeable workforce and a safe, healthy work environment. Achieving the company's strategic objectives requires an environment that enables constant growth and learning. This allows us to maintain a workforce with the right skill sets to deliver on existing and new business lines.

Investment + Expertise = Results

MAINTAINING WORKFORCE RESOURCES

As the utility sector workforce ages, the talent and experience drain associated with significant numbers of retirements remains at the forefront for many of Ontario's LDCs.

Like many other utilities, ENWIN faces changing workforce demographics that require a concerted response. We employed 294 people as at December 31, 2020 in our electricity and water divisions.

Through a comprehensive and integrated talent management strategy, and through collaboration with our Engaged Workforce Council, we are focused on anticipating and meeting talent needs by attracting and retaining the right talent, effectively deploying resources and managing the development of our staff.

This includes:

- Extensive, focused, mentored, on-the-job, practical training apprenticeship programs to ensure the availability of qualified journeypersons;
- Partnerships with industry and educational institutions to support the implementation of the talent management strategy. These include collaborations with St. Clair College, the University of Windsor, other institutions and contractor associations to attract and hire top recruits in a variety of positions in several departments; and
- Most notably, sponsorship and a program delivery partnership with St. Clair College's Powerline Technician program have allowed ENWIN to draw apprentices from the ranks of its graduates in recent years.

ENWIN offers:

- Programs for succession planning and management training and development, to ensure that there are qualified employees in the talent pipeline for key positions;
- A staffing initiative to properly equip a segment of staff with the diverse, enhanced skills to support and work in both overhead and underground environments; and
- A diversity plan, which fosters an inclusive culture that leverages diversity and enhances employee engagement and innovation.

ENWIN's employee compensation programs continued to support a culture that values high performance and includes market-driven and performance-based components to attract, retain and reward employees who assist ENWIN's culture of continuous improvement.

HEALTH & SAFETY

ENWIN recognizes its responsibility to provide a safe workplace for employees and has taken a number of steps to safeguard employees from the COVID-19 virus and by extension, the families of our employees during the pandemic.

These steps have included:

- Publishing a health and safety plan and training all employees on its contents;
- Mandatory masks both inside and outside of our facilities;
- Making available attainable PPE;
- Holding back vehicles scheduled for trade-in, in order to ensure only one field staff employee rides in each vehicle;

- Providing flexibility to self-isolate;
- Amending work processes to facilitate physical distancing and promoting remote work / work from home situations, where possible;
- Assisting office staff to work from home by allowing staff to take computers and monitors home and by purchasing additional laptop computers;
- Providing additional office cleaning and distancing measures and masks for those that could not work from home;
- Implementing active health screening with on-line declarations;
- Increasing sanitation and reducing in areas for congregation;
- Promoting proper hygiene;
- Posting educational signage; and
- Limiting visitors at our facilities.

While a number of ENWIN employees did contract the COVID-19 virus, there were no workplace transmissions of infection in 2020.

In addition to the health of its employees, ENWIN took additional precautions to ensure its service to the hospitals was reliable. The footprint of the feeders that serve the hospitals was reduced by transferring feeder branches to other feeders, so that the risk of contacts and upsets was reduced. As well, all operable devices on the hospital feeders were subject to additional checks to ensure they would be operable if called upon.

At ENWIN, safety is embedded within our organizational culture. It is a fundamental component of our commitment to the tremendous value of our employees, as well as our ability to operate efficiently and effectively. Protecting the health

Training + Education = Workplace Safety

and safety of our employees and our community is a high priority and we are committed to ensuring everyone returns home safely at the end of each workday.

ENWIN seeks to educate employees and to provide a foundation for continuous improvement initiatives that will help to develop, monitor and advance our goal of zero accidents and injuries.

We believe that an effective Health & Safety Management System (HSMS) is the key to a safe workplace — and that ongoing commitment, participation and endorsement from our leaders is paramount to our success.

To that end, ENWIN has adopted the Infrastructure Health and Safety Association (IHSA) Certificate of Recognition (COR™) health and safety management system, a framework to manage risks, establish controls and minimize the incidence of injury and illness to employees.

By achieving COR™, ENWIN is able to demonstrate that our health and safety management system is effective and continually evolving, allowing us to ensure the safety of employees through annual evaluations and comprehensive internal and external audits.

In 2020, ENWIN received a Letter of Good Standing for the Certificate of Recognition (COR™) with an audit score of 93%.

We continue to be successful in strengthening our health and safety management system and reducing accidents and incidents through our focus on reducing lost time across the organization.

Through monthly health and safety talks and continuous education and training,

we aim to ensure our employees are conducting their activities in a manner that makes health and safety a primary part of their daily activities. Mental health and psychological safety is also an important part of ENWIN's health and safety program.

At ENWIN, our goal is to take a proactive approach to identifying risks and preventing incidents before they occur and to take immediate corrective action when a safety issue is identified.

SYSTEMS & PROCESSES

ENWIN continued to make significant investments in capital and maintenance in 2020, to enhance the company's effectiveness and to ensure the utility's assets are well maintained and positioned for the future.

More than \$16.7 million in capital investments supported the distribution grid and its ability to serve customers.

Of this:

- \$9.3 million was dedicated to replacing portions of the grid that had reached their end of life; and
- The \$7.4 million balance was spent connecting new customers, enhancing the resiliency of the grid and maintaining buildings, fleet and systems used to serve customers.

In 2020, ENWIN sold its Ouellette Avenue office in downtown Windsor and moved staff to its Rhodes Drive Operations Centre. The Rhodes Drive facility underwent extensive renovations to accommodate the Ouellette staff, and rebuild for existing staff. While the pandemic caused some delays in

construction, the fact that many staff were working from home enabled the renovations to proceed with minimal disruption to staff, who would otherwise have been working in the building while the renovations proceeded around them.

ENWIN expects to save approximately \$380 thousand in annual operating costs through the elimination of duplicate operating costs for two buildings, and the operational efficiencies associated with having staff work at the same location. This will result in a positive return on our investment, in terms of cost.

The security of our critical infrastructure and the protection of our customers' data is a serious matter, and we work proactively with security experts in the private and public sectors.

We participate in threat information exchange and collaborate with government, regulators and other utilities to assess and manage risks and to advance progress on the OEB's recommended cybersecurity targets.

Our technology decisions continue to be based on three basic considerations:

- Enhancing service to our customers;
- Creating efficiencies that will increase our competitiveness; and
- Improving agility and resilience in the face of industry disruption.

Investment + Efficiency = Resiliency

COMMUNITY SUPPORT PROGRAM

Community Support took on a whole new meaning in 2020. With the onset and development of COVID-19 pandemic, it became apparent that many of our customers and community partners would fall victim to the economic impacts and restrictive measures associated with this global disaster.

In addition to the corporate measures taken to help our customers, ENWIN's Corporate Communications department took on responsibility for a pandemic communications plan to ensure customers were aware of the options and services available to them, both through ENWIN and through the Ontario and Canadian governments.

The rollout of this plan included dozens of targeted communications, issued through multiple media, to inform and reassure the public. Key vehicles of the mass pandemic communications campaign included CEO letters, direct mail campaigns, email campaigns, website, video and traditional and social media.

At the same time, community event plans already underway for 2020, had to be quickly revisited and revised, in order to meet the obligations of our partnership agreements and sustain our efforts to support community through education and fundraising. With help from our charitable and non-profit partners, we pivoted from

live public events to online, digital forums. In this way, we completed the 2020 plan for community education and support.

Diversity and inclusion were key focusses of our educational work this year. These topics were well suited to the virtual platform. Through our associations with Build-a-Dream, Multicultural Council Windsor Essex (MCC), Women's Enterprise Skills Training of Windsor Inc. (WEST) and the Ontario Society

of Engineers, our messages reached hundreds of thousands of students, families, educators, immigrants and community leaders, not only in Windsor, but across the province.

Despite the pandemic impacts, ENWIN achieved an award from WEST, for its support of Diversity and Inclusion, mounting the Diversity Dynamics educational program with MCC via social media.



The Multicultural Council of Windsor and Essex County disseminated weekly messages from ENWIN addressing diversity and inclusion.

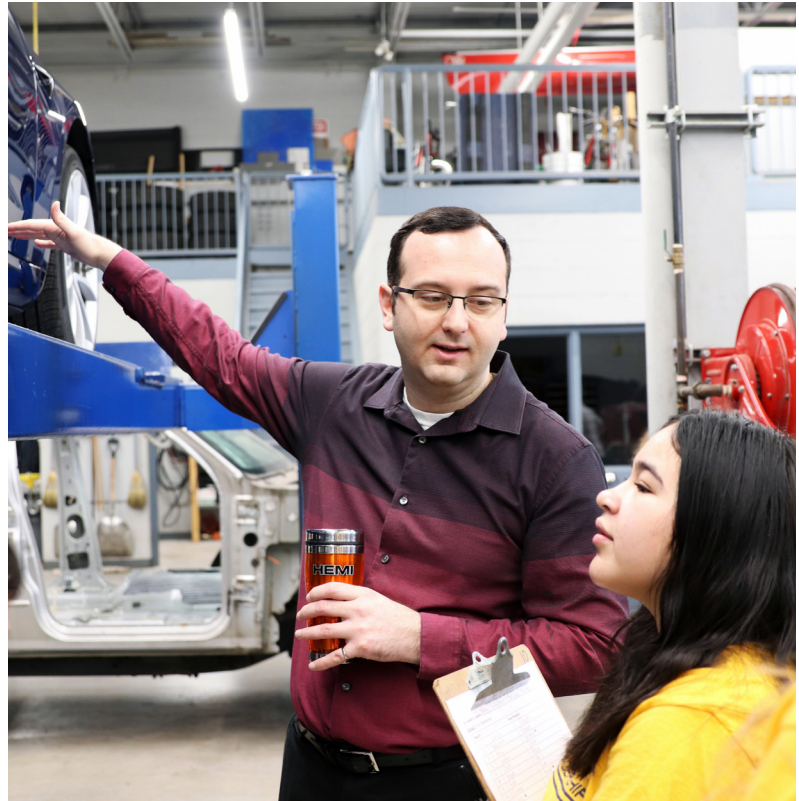
Public education also continued, despite the pandemic, with outcomes including a partnership with ERCA to plant trees and encourage paperless billing, a virtual event with My Safe Work and an award-winning ENWIN Safety Power Play campaign, recognized with the Award for Safety Communications Excellence by the Electrical Safety Association and the Electricity Distributors Association.

We also provided education about electricity, water and the history of electricity to students from grades 6 to 11, through our Streetcar 351 project, delivered in partnership with the Essex District Public School Board, the Windsor Essex Catholic District School Board and the City of Windsor.

ENWIN employees taught students about the electrification of vehicles at a series of partnership events with the Windsor Essex County District School Board, the Windsor Essex Catholic District School Board, and the City of Windsor, pre-COVID-19.

On the fund-raising side, ENWIN employees continued to demonstrate their commitment to community, through ENWIN's Grass Roots Community Support program, an initiative in which ENWIN provides matching funds for employee-raised

donations. Despite the impediments to live events, individual ENWIN superheroes raised funds for ChildCan, Meals on Wheels, Backpacks for Success, Canadian Mental Health and A.L.S., with donations totaling more than \$15,700.



Community + Caring

= ENWIN

Students from St. Joseph's Catholic High School learn about the history of electric vehicles by acting in a play written and produced by ENWIN. This picture was taken pre-COVID-19.

RESULTS: PROGRESS TOWARD THE PLAN

WCU's Strategic Direction ensures that the utility, through all companies and services, will continue to build toward achieving its strategic objectives in each of its five areas of focus. The next six pages summarize its performance toward these goals in 2020.

KEY AREA OF FOCUS: CUSTOMER SERVICE

Strategic Objective: We will deliver exceptional value to our customers.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> • Deliver safe, reliable, cost effective services; • Engage and inform our customers; • Measure and define customer expectations; and • Improve customer satisfaction. 	<ul style="list-style-type: none"> • Gauged customer opinion through an annual customer survey; • Launched separate COVID-19 customer online survey; • Launched New ENWIN App to better serve customers; • Increased customer base by 535 new customers in 2020; • Connected 680 new load customers and eight generator customers; • Responded to more than 1,440 outages and restored power to customers; • Mounted a successful tree planting e-billing campaign in partnership with ERCA, leading to 1,314 e-bill signups, a \$6,570 donation for tree planting; • Developed and filed program wind-down plans with IESO in response to the March 2019 announcement by the provincial government that they would consolidate the delivery of their Conservation First Framework program and take that function back from the province's distribution utilities. EWU continued to process the applications for incentives from prior committed contracts; • Continued EWU investments in distribution system automation, to provide benefits to customers in the form of a resilient distribution system. System activity (storms) was 2% lower than the five-year average and the average duration of an outage was similar to the prior year, at 23 minutes as compared to the five-year average of 27 minutes;

Value + Reliability = Satisfaction

KEY AREA OF FOCUS: CUSTOMER SERVICE

Strategic Objective: We will deliver exceptional value to our customers.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> • Deliver safe, reliable, cost effective services; • Engage and inform our customers; • Measure and define customer expectations; and • Improve customer satisfaction. 	<ul style="list-style-type: none"> • Developed multi-tiered COVID-19 communications plan to address customers needs for information, assistance and reassurance; • Supported customer needs for information regarding government aid programs to help offset the economic impacts of COVID-19; • Waived late payment penalties in the early months of the pandemic to assist customers; • Implemented moratoriums on disconnection for both water and hydro, to lessen the impacts of Ontario and local lockdowns during COVID-19; and • Updated customers about COVID-19 related issue resolution opportunities via email, social media, traditional media, direct mail, phone messages, website and bill insert;



ENWIN's customer service team remained on the job and available by phone or online, throughout the pandemic. This picture was taken pre-COVID-19.

KEY AREA OF FOCUS: PEOPLE & CULTURE

Strategic Objective: We will provide a safe workplace with diverse, highly skilled and engaged employees.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> • Attain consistent, high health and safety standards; • Retain, recruit and develop talent; • Provide growth and leadership opportunities; and • Foster a culture of high performance, initiative and accountability. 	<ul style="list-style-type: none"> • Received a Letter of Good Standing for the Certificate of Recognition (COR™) with an audit score of 93%; • Continued to be successful in our efforts in to reduce lost time due to accidents across the organization; • Implemented a contractor management system to evaluate and monitor adherence to H&S and purchasing requirements. This also serves as a convenient portal that enables contractors to upload up-to-date documentation that meets relevant H&S requirements, and allows ENWIN to track the contractor's performance against these requirements; • Created collaborative health and safety videos to educate new employees and contractors about our facilities and our emergency programs; • Implemented the Not Myself Today campaign to promote awareness and understanding of mental health issues and provide tools and resources to support those experiencing mental health challenges; • Delivered monthly safety talks to share H&S information and reviewed safe work practices; • Delivered extensive in-house apprenticeship programs, engineering and business internships, ensuring availability of qualified future employees; • Partnered with industry and educational institutions to support talent attraction and recruitment; • Continued consultations with staff to develop a vision for the Engagement, Diversity and Inclusion Plan; • Delivered weekly COVID-19 messages through e-mail and video to staff from March, 2020 to end of year; • Made PPE available in the workplace and adopted a mandatory mask-wearing procedure, both inside and outside our facilities;

Collaboration + Education = Safety

KEY AREA OF FOCUS: PEOPLE & CULTURE

Strategic Objective: We will provide a safe workplace with diverse, highly skilled and engaged employees.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> • Attain consistent, high health and safety standards; • Retain, recruit and develop talent; • Provide growth and leadership opportunities; and • Foster a culture of high performance, initiative and accountability. 	<ul style="list-style-type: none"> • Held back vehicles scheduled for trade in, so that sufficient vehicles were available to eliminate the sharing of interior vehicle space; • Amended work processes to facilitate physical distancing and promoted remote work or work-from-home situations, where possible; • Office staff were assisted to work from home by allowing staff to take computers and monitors home and by purchasing additional laptop computers to facilitate a more mobile workforce; • Continued to develop the Engaged Workforce Council and extended a network, consisting of a cross-section of employees across the organization, dedicated to making recommendations for the development of a framework and strategy to positively impact engagement, diversity and inclusion at ENWIN. The council assessed the current environment through employee interviews and is in the process of identifying initiatives to positively impact barriers, as well as ways to leverage the strengths identified; • Developed individual success plans to support professional advancement for high potential employees aspiring to advance in the organization; • Coordinated a series of wellness initiatives for employees, including but not limited to pre-pandemic healthy snack days, Virtual Trivia and online Fitness Fridays, during which a staff member led a group of employees through a 15-minute workout via Zoom; • Encouraged employee engagement and recognition during COVID-19, through light displays on our water tower and recognition partnerships with Tim Hortons, videos, radio ads and published stories celebrating our essential workers; • Promoted diversity and inclusion within our organization through educational partnerships with the Multicultural Council of Windsor and Essex County, WEST of Windsor and the Ontario Society of Engineers; and • Utilized our internal digital big-screen ENWIN News Network (ENN) to support employees' access to information and education.

Development + Initiative = Success

KEY AREA OF FOCUS: QUALITY & INNOVATION

Strategic Objective: We will achieve operational excellence.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> Improve technical innovation, productivity and cost performance; Plan and invest prudently to meet future needs; Measure and achieve best-practice reliability and quality; and Recognize and reward innovation and leadership. 	<ul style="list-style-type: none"> Invested \$16.7 million in the capital program to support the distribution grid and its ability to serve customers; Invested \$5.7 million in replacing aging grid; Invested \$11.0 million in connecting new customers, maintaining buildings and enhancing the resiliency of the grid, fleet and systems used to serve customers; Successfully completed the 2020 ESA audit cycle, obtaining full compliance with Regulation 22/04, with zero non-compliance areas identified; Continued working with communications companies to share infrastructure, providing Windsor residents with high-speed fibre-optic communication links; Through the ENnovation program, offered all employees an opportunity to develop innovations that would impact organizational stability. Five innovations were presented to the executive in 2020; Through the ENWIN Equation communications initiative, inspired public recognition of employee expertise, ingenuity, leadership and commitment; and Through our Community Support program and associated communications, offered public and internal recognition to employees for leadership in philanthropy.



ENWIN executive and staff gather in a socially distanced meeting to share innovative ideas in support of the corporate strategic direction, during ENnovation pitch day.

Investment + Planning = Reliability

KEY AREA OF FOCUS: ORGANIZATIONAL SUSTAINABILITY

Strategic Objective: We will create sustainable performance, as well as owner and stakeholder value.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> • Develop and implement plans for long-term efficiency and reliability; • Enhance processes to maintain financial viability; • Ensure effective governance and leadership; • Define, measure and achieve targets; and • Safeguard private data and system security. 	<ul style="list-style-type: none"> • Despite the pandemic, ENWIN reached plant investment targets in order to maintain the level of reliability of electrical service our customers currently enjoy; • Completed our site consolidation project resulting in operational cost savings of approximately \$380,000 annually; • Continued property remediation to prepare for the future sale of three 4kV substations; • Continued to leverage membership with the GridSmartCity® cooperative, to realize cost savings through joint tendering for electrical distribution system equipment; • Through membership in the Utility Standards Forum (USF) cooperative, shared information related to effectiveness and efficiency; • Returned a \$4 million dividend to our shareholder; • Continued corporate metric measurements and successful benchmarking achievements; • Ensured clear communication of corporate direction through ongoing policy and procedure review; • Expanded mobility to employees to enhance field service and improve asset maintenance; • Presented and received appraisal for long-term forecasts for all companies; and • Presented and received approval for executive succession plans.



Planning + Leadership
= Performance



Despite the restrictions imposed by COVID-19, ENWIN completed a renovation of its Rhodes Drive facility to accommodate the consolidation of staff from its two largest facilities under one roof. Workers socially distanced throughout the pandemic to complete necessary work.

KEY AREA OF FOCUS: COMMUNITY AND PARTNERSHIP

Strategic Objective: We will support the success of our community.

PERFORMANCE COMMITMENT	2020 PERFORMANCE HIGHLIGHTS
<ul style="list-style-type: none"> Contribute to local economic development; Collaborate strategically to drive excellence, productivity and innovation; and Educate the community to conserve and protect resources. 	<ul style="list-style-type: none"> Promoted public safety and awareness through the ENWIN Safety Powerplay partnership with the Windsor Spitfires; Participated in community partnerships focused on health, wellness, diversity, inclusion and education; Supported scholarships for soldiers from Windsor Veterans Association; Continued to support community through annual United Way fund drive; Created CEO-to-customer email series, providing education, reassurance and COVID-19 updates; Supported community diversity and inclusion initiatives in partnership with the Multicultural Council, Women's Enterprise Skills Training of Windsor Inc. (WEST), International Women's Day, Build a Dream and the Ontario Society of Engineers; Continued to partner with community organizations for education, fundraising and events, pivoting to virtual events where necessary due to COVID-19; Continued to support a Grass Roots community support program through which employees could raise funds for community, with matching support up to \$1,000 per initiative from ENWIN; and Assumed leadership role in Electricity Distributors Association Pandemic Communications Committee.

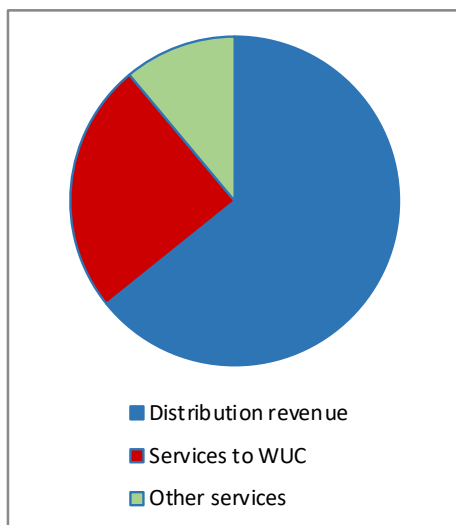
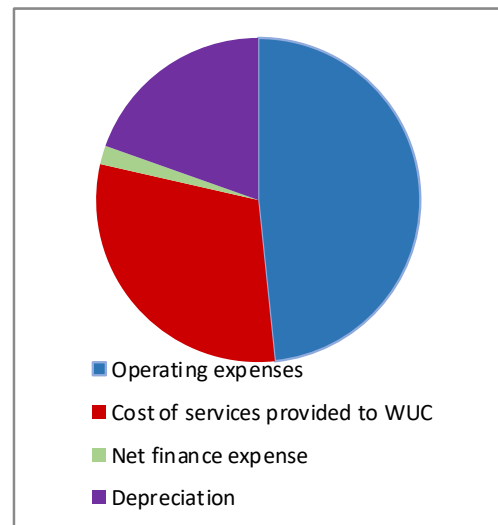


Collaboration + Excellence
= Community Development

An ENWIN Human Resources employee discusses career options with students at a pre-COVID-19 event in January 2020.

FINANCIAL HIGHLIGHTS

(in thousands of dollars)	2020	2019	2018	2017	2016
Operations					
Total revenue	352,859	332,946	328,283	331,160	365,964
Distribution revenue	49,019	51,400	51,866	49,795	49,586
EBITDA	23,566	29,645	26,930	26,572	35,110
Net Income	7,316	12,155	8,459	7,930	15,646
Dividends	4,000	4,000	4,000	5,000	5,000
Balance Sheet					
Cash and investments	59,075	50,272	49,688	39,491	25,540
Property, Plant and Equipment & Intangible Assets	245,302	242,344	234,494	229,632	227,976
Total Assets	427,306	415,609	401,187	391,880	386,131
Long-term borrowings	102,497	102,483	102,470	102,457	102,445
Equity	182,593	183,536	171,682	161,870	163,172
Cash flows					
Operating	24,443	20,621	30,281	30,991	26,773
Investment in infrastructure	16,749	21,630	19,592	15,582	15,394

Revenue by Type¹Expenses by Type¹

¹ Excludes the sale of electricity and cost of electricity

MANAGEMENT'S DISCUSSION AND ANALYSIS

REGULATION POLICY AND DIRECTION

In Ontario, the Ministry of Energy, Northern Development and Mines (The Ministry) sets the overall policy for the energy sector, guided by relevant laws and regulations.

The Ministry oversees the Independent Electricity System Operator (IESO) and the Ontario Energy Board (OEB), which regulates the energy sector as set out primarily in three statutes — the Ontario Energy Board Act, 1998 (OEB Act); the Electricity Act, 1998; and the Energy Consumer Protection Act, 2010.

The OEB Act establishes the authority of the OEB to approve and fix all rates for the transmission and distribution

of electricity in Ontario and to set the standards of service, conduct and reporting that must be adhered to as conditions of the LDC license.

The OEB's regulatory framework for electricity distributors is designed to support the cost-effective planning and operation of the electricity distribution network and to provide an appropriate alignment between a sustainable, financially viable electricity sector and the expectations of customers for reliable service at a reasonable price.

The OEB typically regulates electricity rates for distributors using a combination of detailed Cost of Service (COS) reviews and Incentive Regulation Mechanism (IRM) adjustments.

Under the OEB's rate-setting methods, actual operating conditions may vary from forecasts, such that actual returns achieved can differ from approved returns. Approved electricity rates are generally not adjusted as a result of actual costs or revenues being different from forecast amounts, other than for certain prescribed costs that are eligible for deferral for future collection from, or refund to, customers.

RATES

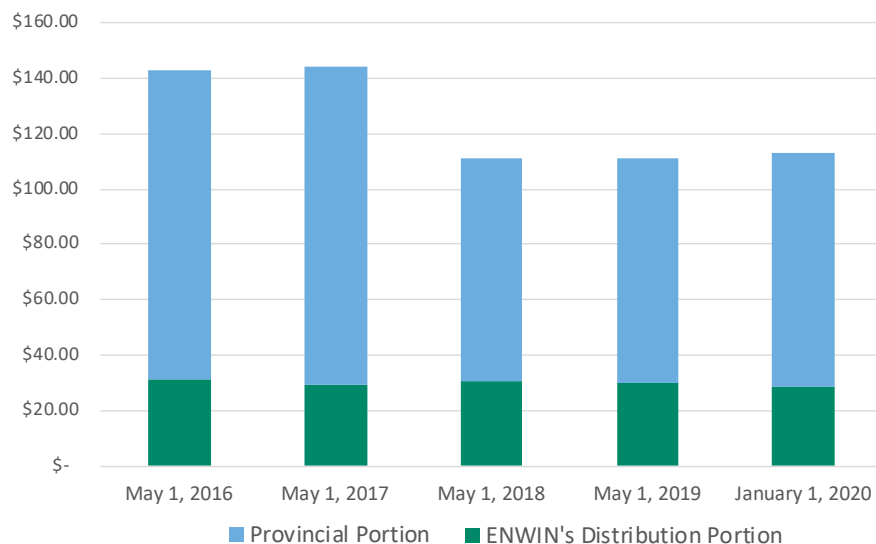
WCU's regulated subsidiary, EWU, recovers its costs from customers through electricity distribution rates. These include the costs to:

- Design, build and maintain overhead and underground distribution lines, poles, stations and local transformers;
- Operate local distribution systems, including smart meters; and
- Provide customer service and emergency response.

Costs and rates vary from one distributor to another, depending on factors such as the age and condition of assets, geographic terrain and distance, population density and growth and the proportion of residential to commercial and industrial consumers.

EWU's distribution charge to residential customers averaged approximately 24 percent of amount the customer pays over the past 5 years.

TABLE 1: TOTAL BILL FOR REGULATED PRICE PLAN RESIDENTIAL CUSTOMER ON TIME-OF-USE RATES (750 KWH PER MONTH USAGE)



In 2019, following OEB direction, all residential distribution charges were moved to a fixed basis, independent of the amount of electricity consumed. EWU collects the entire electricity bill, including cost of power, but keeps only this fixed portion.

The balance of the electricity bill that is not related to distribution charges is passed on, without markup, to regulators, the provincial government and the other companies responsible for generating and transmitting electricity and managing the market system. EWU's distribution rates are set by the OEB, based on applications submitted for rate changes.

2020 was a year marked by the COVID-19 pandemic. During the pandemic, the provincial government temporarily changed the way in which energy was billed for most customers on the Regulated Price Plan (RPP), whereby time-of-use rates were suspended and fixed rates were applied to the energy portion of the bill from late March until the end of October.

Subsequently, starting in November, RPP customers were provided the option to select their electricity pricing plan, choosing between time-of-use or tiered prices. As well, the winter moratorium on disconnection of customers for non-payment of electricity bills was extended until the end of July 2020 in consideration of customers remaining at home.

RATE APPLICATION PROCESS

The OEB consumer-centric approach to rate applications, contained in the Renewed Regulatory Framework for Electricity (RRFE), requires LDCs to demonstrate that their services are provided in a manner that responds to identified customer needs and their preferences.

COVID-19 PANDEMIC RESPONSE

In 2020, in response to the COVID-19 pandemic, the Province of Ontario, the Ministry and the OEB developed a suite of regulatory responses and communications to mitigate the impact of the virus on customers. These included items such as:

- Temporary COVID-19 related RPP rate changes, suspending time-of-use rates for periods of time;
- Temporary reductions to global adjustments charges from April to June and changes to Industrial Conservation Initiative (Class A) eligibility;
- COVID-19 Energy Assistance Program (CEAP) implementation for residential and small business customers, and

evolution and expansion of eligibility requirements to access the program;

- Temporary changes to customer service rules, including temporary extension of moratorium on disconnection for electricity customers and waiver of late payment charges; and
- Additional LDC requirements regarding communication to customers. ENWIN met this obligation through CEO messages, service change messages, and promotion of Ontario programs that could benefit customers.

EWU worked diligently to ensure that all initiatives were implemented on-time and in compliance with requirements, in order to assist our customers.

ADDITIONAL CUSTOMER AND INTERNAL COMMUNICATIONS DURING COVID-19

Below are some of the ways ENWIN reached out to customers during this difficult time

- | | |
|---|---|
| <ul style="list-style-type: none"> • COVID-19 General Information Bulletins: Safety, ENWIN measures, OEB measures, reassurance; • COVID-19 ENWIN-Specific Information Bulletins: Safety measures, call to respect employee safety, office closure information; • Website Banners directing customers to important Ontario program information: CEAP, CEAP-SB, Assistance to Businesses, ENWIN COVID-19 Information, rate changes associated with COVID-19; • COVID-19 Media Releases outlining ENWIN measures and responses, Government program initiatives, assistance for customers. • CEAP and CEAP-SB Program administration: Updates of information regarding ongoing changes to the criteria for eligibility and credit amounts; | <ul style="list-style-type: none"> • Information issued by letter, social media, email, website and bill inserts, directing customers to information from Windsor-Essex Health Unit COVID-19, Ontario COVID-19, Government of Canada COVID-19, including Financial Assistance for Businesses, Government of Ontario news releases and Small Business Grant Program; • Published stories recognizing ENWIN First Responders; • Pandemic Response, Safety and Communications Plans for ENWIN staff and the public; • CEO Letter Campaign: Reassurance to the public and offers of support, where applicable; and • Pandemic FAQs on COVID-19: Issues of information related to specific programs and assistance; |
|---|---|

CUSTOMER ENGAGEMENT

Customer surveys are conducted at least annually. LDCs are required to measure and report a customer satisfaction result at least every other year. ENWIN has been conducting bi-annual surveys since 2014 and annual surveys since 2018, exceeding the OEB requirement, as part of its commitment to Customer Focus.

ENWIN, along with the majority of other LDCs in Canada, chose UtilityPULSE to perform its surveys. By using a common provider, LDCs are able to benchmark their performance and customer preferences across Canada by asking a common set of questions during the same period of time.

In 2020, ENWIN added a supplemental survey specific to the customer impacts of COVID-19, to measure perceptions

of service related to the pandemic. More than 1,500 customers chose to participate.

The results shown in Table 2, below, indicate that, although Windsor customers were hit harder by the pandemic in comparison to other Ontario LDCs, most customers believed ENWIN's services had improved or remained constant throughout the pandemic, and 96% of customers trusted in ENWIN's ability to handle another COVID-19 outbreak.

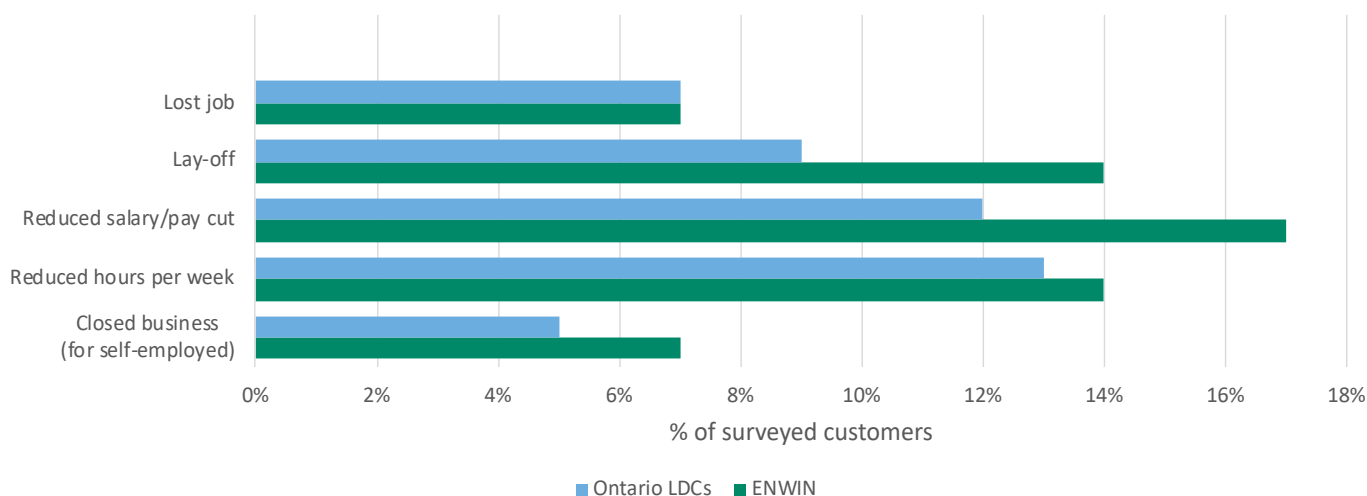
ENWIN scored above the provincial and national participant scores for Credibility and Trust at 87%, and 90% of customers recognized that ENWIN makes electricity safety a top priority (This score was also above the national average.)

Although 27% of customers surveyed expressed a high degree of anxiety about their electricity bill during the second wave of COVID-19, overall satisfaction

with ENWIN was above 92%, and 87% of respondents felt that ENWIN was customer-focused and treats customers as if they're valued. (This score was above both the provincial and national percentages.)

The goodwill expressed towards ENWIN in our COVID-19 survey is a reflection of the additional communications and engagement efforts the company mounted to help customers navigate a difficult and changing health, lifestyle, business and financial landscape during the pandemic.

TABLE 2: COVID-19 IMPACT ON RESIDENTIAL CUSTOMERS



Responsiveness + Caring = Customer Satisfaction



ENWIN employees social distance while wearing ENWIN PPE masks.

ENWIN honoured front line workers by lighting the Hanna Water Tower blue.



FINANCIAL RESULTS

The selected consolidated financial results of the Corporation, presented below, should be viewed in conjunction with the audited consolidated financial statements and accompanying notes for the year ended December 31, 2020.

Windsor Canada Utilities Ltd. (WCU) has two wholly owned subsidiaries: ENWIN Utilities Ltd. (EWU) and ENWIN Energy Ltd. (EWE). The consolidated financial statements of WCU are a direct result of the activities generated by these two entities. EWU is the regulated Local Distribution Company that provides electricity and related utilities services to approximately 90,000 residential and business customers.

EWU and the Windsor Utilities Commission entered into a Water System Operating Agreement (WSOA) in 2012, under which EWU provides utility operating and administrative services to WUC.

EWE provides streetlight maintenance for the City of Windsor.

The financial statements are presented utilizing International Financial Reporting Standards (IFRS), as initially adopted by WCU in 2012. At the time of adoption, IFRS 14 – Regulatory Deferral Accounts was not available to EWU, and remains unavailable for EWU. Accordingly, these statements do not reflect recognition of the regulatory deferral accounts. Regulatory deferral accounts are prescribed by the

OEB for tracking revenues and expenses that are subject to the rate setting process for EWU. Since these accounts cannot be utilized in these financial statements, revenue and expenses associated with the sale and cost of electricity are recognized on a cash basis. This results in earnings volatility when the settlement of differences between what EWU charges its customers for the cost of power and what it pays the provincial independent electrical system operator (IESO) takes place over more than one fiscal year end.

For rate setting purposes the sale and cost of electricity is a flow-through item for which, over the long term, any net revenue or expenses resulting from the sale and cost of power are ultimately returned, or charged to EWU's customers as mandated by the OEB. Accordingly, the operating results of EWU are typically viewed in absence of these amounts by the regulator and the Company.

NET INCOME

Net income in 2020 was \$7.3 million compared to \$12.2 million in 2019. Net Income is lower than 2019 as a result of rate adjustments realized during the year associated with the 2020 cost of service application. Despite the potential for timing differences related to the cost of power and the rate adjustment, the return on equity was 4.0%.

SALES AND COSTS OF ELECTRICITY

In 2020, revenue from the sale of electricity was \$276.5 million or \$21.7 million more than in 2019. At the same time the cost of electricity paid by EWU increased by \$24.9 million. The combined difference in these changes had the effect of negatively impacting earnings in 2020 compared to 2019 in the amount of \$3.2 million.

The summary of historic time-of-use rates presented in Table 3 (page 33) illustrates the change of the average time-of-use rate from a low of 9.70 cents per KWh in 2018 to the current high of 15.73 cents per KWh which came into effect November 1, 2020.

DISTRIBUTION REVENUE

While the sale of electricity as a commodity is a flow through cost for EWU, distribution charges on EWU customer bills become revenue for the Company to cover its operating and capital costs.

The rates used to establish distribution charges to EWU customers are set by the OEB. Distribution revenue of \$49.0 million was \$2.4 million, or 4.6%, lower in 2020 than in 2019. The combination of lower revenue due to lower usage during the pandemic and one time rate adjustments resulted in lower year over year revenue.

OTHER REVENUE

Other revenue for WCU includes amounts charged to WUC by EWU under the Water Services Operating Agreement, together with charges to the City of Windsor for streetlight maintenance and sewer surcharge billing and collection services, and other miscellaneous items detailed in Note 19 of the audited financial statements.

In 2020, services provided to WUC decreased by \$0.8 million to \$18.9 million. Other income items, attributable primarily to services provided to the City of Windsor, increased by \$1.4 million during the year.

The increase in other income was attributed to a gain on disposal of the administrative building that was sold during the year.

OPERATING EXPENSES

Overall operating expenses, including depreciation and amortization, remained stable at \$61.3 million in 2020. The increase in operating and distribution expenses was partially offset by reductions in billing, collecting and administrative expenses and depreciation and amortization.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization on WCU's property, plant, equipment and intangible assets decreased in 2020 by \$941 thousand to \$12.2 million, primarily due to lower capital expenditures in 2020 compared to 2019.

NET FINANCE EXPENSE

Net Finance expense of \$1.2 million includes interest expense of \$4.3 million on the Company's \$103 million senior unsecured debentures, which are due in 2042. The interest expense is offset by interest income from WUC of \$2.15 million for its share of the senior unsecured debenture, \$522 thousand earned on the company's sinking fund investments and \$472 thousand earned on bank balances.

ASSETS

Total assets increased by approximately \$12.4 million to \$428.0 million during 2020. The investment in property, plant and equipment increased the carrying

value of the assets from \$239.1 million to \$243.2 million.

The increase in total assets was also a result of increases in working capital, sinking fund and short term investments.

LIABILITIES

Total liabilities increased by \$13.4 million to \$245.4 million, but that was offset against the increases in current asset balances. The largest liability of WCU is the \$103 million senior debenture, however \$52 million of the proceeds from the issuance of the debenture were loaned to WUC, which pays its share of the annual interest costs to WCU. WUC has provided a guarantee to WCU in support of its ultimate repayment of these funds, reducing the overall exposure of WCU on this debt. This balance is not due until 2042 and funds are currently being set aside in a sinking fund to facilitate repayment.

Current liabilities increased by \$5.3 million, primarily as a result of an increase in accounts payable and accruals. Higher payable balances owing to the IESO

TABLE 3: HISTORICAL TIME-OF-USE ELECTRICITY RATES

Effective Date	Off-peak price (¢ per kWh)	Mid-peak price (¢ per kWh)	On-peak price (¢ per kWh)	Average (¢ per kWh)
1-Nov-20	10.5	15.0	21.7	15.73
1-Jun-20	12.8	12.8	12.8	12.80
24-Mar-20	10.1	10.1	10.1	10.10
1-Nov-19	10.1	14.4	20.8	15.10
1-May-19	6.5	9.4	13.4	9.77
1-May-18	6.5	9.4	13.2	9.70
1-Jul-17	6.5	9.5	13.2	9.73
1-May-17	7.7	11.3	15.7	11.57
1-Nov-16	8.7	13.2	18.0	13.30
1-May-16	8.7	13.2	18.0	13.30

for purchase of electricity was the main reason for the increase.

The increase in other non-current liabilities is primarily a result of actuarial revaluations on the employee future benefits liability, which increased from \$62.1 million to \$69.4 million. The employee future benefits liability is sensitive to interest rate changes and is expected to be volatile over the next several years.

OPERATING ACTIVITIES

Cash increased during the year as a result of continued strong operating performance.

INVESTING ACTIVITIES

Cash used in investing activities was \$15.9 million compared to \$18.7 million in the prior year. Investing activities include \$16.7 million of capital expenditures, versus \$21.6 million in 2019, offset by contributed capital expenditures targeting system renewal, technological advances and accommodating new customer growth. During the year the company also invested further in its sinking fund and short term GIC's in the amount of \$3.0 million.

FINANCING ACTIVITIES

Financing activities include dividends paid to the City of Windsor along with changes in related party balances. The dividend payment to the City of Windsor of \$4 million is in accordance with the target set for 2020.

The company has paid cumulative dividends to the City of Windsor since 2005 of \$64.7 million.



ENWIN employees social distance while providing streetlight maintenance for the City of Windsor.

RISKS AND UNCERTAINTIES

WCU has adopted a systematic approach to the management of risks and uncertainties, integrating risk management into business processes and the periodic reporting of organizational performance.

The Corporation's Enterprise Risk Management (ERM) framework was established by the Board in 2017 and is renewed annually, including 2020. It consolidates risk reporting to the President and Chief Executive Officer and to the Board, highlighting potential risk factors that may have an impact upon ENWIN's near-term business objectives and strategic direction.

The risk to operations associated with a pandemic was identified in ENWIN's risk register more than a year prior to the pandemic, and although it placed high on the list, it did not meet the threshold for action identified for other risks. Nevertheless, ENWIN was able to manage through the pandemic and delivered on its service promise to its customers.

The ERM framework supports and complements WCU's strategic planning and annual business planning cycles, thereby enabling continuous review of assumptions and regularly refreshed environment scans.

WCU monitors sources of risk inherent to the industry and the regulated

environment. These include, but are not restricted to:

- The political and regulatory environment;
- The state of the economy and macro-economic trends;
- The state of financial markets and of investment in utilities;
- Government policies relating to the production and procurement of renewable and clean energy, as well as carbon emissions and conservation;
- The convergence of information technology and operational technology;
- Labour force demographics, with a particular emphasis on the renewal of human resources in the trades; and
- The weather.

In combination, these sources of risk will shape the evolution of the industry, which could, in turn, present new and emerging risks that need to be managed effectively.

REGULATOR RATE SETTING ENVIRONMENT

In 2019, ENWIN's electricity distribution business sought approval from the Ontario Energy Board (OEB) for a re-basing of its distribution rates, having last done so in 2009. The new rates were implemented on January 1, 2020.

EWU's ability to recover the actual costs of providing services and earn the allowed ROE depends on the Company achieving its forecasts, established in the rate setting process. If actual loads and energy consumption vary substantially from forecast, or if actual costs of operations, maintenance, administration, capital and financing materially deviate from projections included in the approved revenue requirements, EWU may not achieve its desired level of returns.

Electricity distribution is a capital-intensive business. As EWU continues to invest in the renewal of existing aging infrastructure and the development of new infrastructure to address the changing technological needs of distributed electricity, there is no assurance that it will receive the necessary funding in rates from the OEB. To mitigate this risk, the Company strives to stay informed of OEB policy and decisions related to these matters.

LDC CONSOLIDATION IN ONTARIO

Consolidation amongst municipally-owned LDCs continues to be encouraged at the provincial level, as an opportunity to attain economies of scale that would work to the benefit of the customers of all the participating utilities.

However, the pursuit of this opportunity may not be viable if valuations for mergers and acquisitions remain at levels that

utilities may consider excessive or potentially detrimental to their own interests, or those of the shareholder and ratepayers.

The possibility of voluntary consolidation or collaboration with like-minded municipally-owned LDCs for mutual benefit exists if policy direction, regulatory guidance and tax incentives were appropriately aligned.

EWU has formed strategic alliances with other utilities through membership in organizations such as GridSmartCity® and the Utility Standards Forum (USF), that offer an alternative to consolidation, by working together to find efficiencies through partnership. Failure to achieve economies of scale has been viewed as an enterprise risk by WCU.

CHANGING DEMAND FOR ELECTRICITY DISTRIBUTION SERVICES

As costs decline for energy generation and storage technologies, the LDC's customers may move progressively towards cost-competitive alternatives, thereby reducing customer need for, and dependence on, the grid. Should these trends materialize at a significant scale, policy and regulatory changes will be necessary in order for ENWIN to recover its investment in infrastructure.

The role of the LDC through this change may differ and require further investment in technology and change in the nature of services provided by the LDC. Failure to adapt to the changing technologies,

ENWIN is responsible for the maintenance and stability of an electricity distribution system serving the population of the City of Windsor.

and failure to invest in innovation or new business services, may impact the business model of the Company.

Conversely, if policies and programs to respond to climate change accelerate the adoption of electric vehicles, the timing and level of demand for electricity may change significantly, resulting in changes to infrastructure needs and continued rate setting evolution.

PENSION PLANS

The Company provides a defined benefit pension plan for the majority of its employees through the Ontario Municipal Employees Retirement System (OMERS).

Any future funding shortfalls and net losses at OMERS are subject to the OMERS Sponsors Corporation Funding Management Strategy, which outlines how benefits and contributions will be modified as the OMERS Primary Plan cycles through periods of funding deficit and surplus.

Pension benefit obligations and related net pension cost can be affected by volatility in the global financial and capital markets.

There is no assurance that pension plan assets will earn the assumed long-term rates of return. Market-driven changes impacting the performance of the pension plan assets may result in material variations in actual returns on pension plan assets.

TECHNOLOGY INFRASTRUCTURE

WCU's business relies on complex information systems, covering operational software, as well as back-office processes.

Operational systems include:

- A geographic information system;
- An outage management system; and
- An electricity system supervisory control and data acquisition system (SCADA).

Back-office processes, such as customer information and billing systems are heavily integrated, with thousands of smart meters producing large volumes of data that is shared with Ontario's Smart Metering Entity.

The failure of one or more of these key systems, or a failure of the company to



either plan effectively for future technology needs or to transition effectively to new technology systems, could adversely impact the business operations.

As the sector moves to develop distributed energy resources and smart grid technology, the requirement for efficient deployment of new technology increases.

WCU seeks to identify and manage such risks through rigorous technology planning and implementation of preventative and detective controls.

A number of technology changes occurred this past year, but none more impactful than those driven by COVID-19. The pandemic not only forced the sudden and unplanned transition to remote work on the Company, it also forced ENWIN's call centre to shift to a remote distributed model.

At the same time, several billing and process changes occurred. These included system upgrades to support government regulations, rate changes and assistance programs.

Much of the work accomplished throughout the year assisted ENWIN in serving the community by delivering services supported by the digital transformation.

CYBERSECURITY

WCU and its affiliates operate complex information systems including Smart Metering and SCADA networks. These systems are integrated across the electricity sector and carry growing volumes of data. The increased volume of data and integration increases exposure

to information security threats, including cybersecurity risks.

Our information and operational systems and information assets could be put at risk by a security breach, data corruption or system failure at a shared resource or common service provider.

ENWIN has been developing and enhancing its cybersecurity program for many years. Fundamental to this is increased information sharing, asset and identity management, situational awareness, threat management, incident response and building a strong culture of security across the organization and in the supply chain.

A third party audit of this program was conducted in 2020 and, with board and management oversight, cybersecurity controls continue to be enhanced to protect customers and stakeholders.

CUSTOMER & MEDIA PERCEPTIONS

Electricity utilities across Ontario are confronted with risks arising from negative customer and media perceptions. These relate especially to high commodity prices in the electricity sector, which are outside the control of The ENWIN Group. During 2020 these impressions were at additional risk, due to community challenges presented by COVID-19.

Our local reputation remained intact throughout the 2020 pandemic, even when the financial and personal impacts of COVID-19 affected customers of utilities across Ontario. Customers expressed appreciation for the efforts of

front-line workers, as well as the financial assistance and communications efforts of utilities during the pandemic.

Our reputation is strong and we are becoming recognized locally for our focus on customer value. This should enable WCU to manage the impact of customer dissatisfaction with the electricity sector at large and continuing challenges from COVID-19. However the precise scope and nature of this risk factor cannot be foreseen.

WCU's subsidiary, EWU, also provides potable water production, transmission and distribution services through its water division. The potential for contaminated source water may be viewed as an additional enterprise risk.

LABOUR FORCE DEMOGRAPHICS

Across the electricity sector, retirements are outpacing new entrants to the workforce, which could have an adverse impact on WCU's ability to build a sustainable workforce and achieve its business objectives. This is particularly evident in field personnel.

Failure to recruit and retain talent can lead to workforce overload and knowledge gap, which may impact quality and safety.

As a significant portion of WCU's experienced workforce retires over the next decade, continued focus on training and safety will be critical in maintaining safety and reliability across our system.

WCU's investments in safety programs, apprenticeships, internships, diversity, knowledge management and succession

Technology + Planning = System Security

planning are designed to manage risks relating to workforce demographics.

WEATHER

Severe weather can significantly impact financial results, in part through increased capital and maintenance costs to repair or replace damaged equipment and infrastructure. Weather fluctuations also influence distribution revenues in the commercial and industrial sectors, which tend to increase with severe weather and decrease with moderate weather.

ECONOMY

2020 was a year of unprecedented change and challenge throughout the world. Locally, COVID-19 impacted our stakeholders, customers and company, as it did organizations and individuals across the globe. Utilities were challenged to create emergency strategies and plans that took into account the economic struggle of our businesses and residents. These impacts grew throughout the year, as Windsor was identified as a hot spot for COVID-19 transmission in Ontario. Business closures and reduced operations forced by COVID-19 also had a direct impact on residential customers who experienced job loss, layoffs or reduced hours and pay.

The state of the local, national and international economies could have a significant impact on WCU's business

performance, through factors such as business closures, inflation, customer credit risk, weakening demand for electricity, value-added services and availability of market capital to fund growth. The economic climate could also have an effect on the stability and performance of some of EWU's key business partners.

The 2020 year-end financial statements include a subsequent event note related to the COVID-19 worldwide pandemic. The economic impact to ENWIN's customers over the longer-term horizon beyond 2020 is not yet known.

SUMMARY OUTLOOK

Subject to the risks and uncertainties discussed above, WCU, through its subsidiaries, will continue to provide efficient, reliable and competitively priced electricity distribution services to customers, as well as energy and utility expertise.

It is our goal to ensure that customers will continue to benefit from stable, moderate and predictable rate impacts. In the interest of moderating future rate increases to the LDC's customers as fully as possible, WCU remains committed to ongoing innovation, productivity and cost containment.

WCU has continued to pursue expansion in non-regulated areas, including energy and utility services, with the EWE board

approval and budget allocation for a new executive dedicated to this role. The Executive, Mr. Kris Taylor, begins his new role on February 16, 2021.

In late 2018, in partnership with Tessonics Inc., EWE incorporated ONtech Rapid Coatings Inc., and holds a 50% ownership in this entity.

ONtech offers solutions for surface treatment and repair, using advanced technology and customized metallic coatings. ONtech is the culmination of a productive, long-term research and development collaboration between the partners, resulting in innovative technology applications in the electricity and water sectors, but also throughout the broader energy sector, automotive and aeronautic industries.

ONtech offers a technological solution for many potential applications across North America, to help companies reduce maintenance costs, extend the useful life of their assets and reduce related depreciation costs.

This entity will continue to leverage existing assets and expertise to commercialize these new technologies. This is expected to represent a third driver of financial strength in future years, supplementing the core distribution business and existing unregulated services.

Vigilance + Strategy = Risk Mitigation

EXECUTIVE COMPENSATION

All employees of ENWIN are employed by ENWIN Utilities Ltd. On behalf of all its companies and employees, ENWIN is committed to providing a competitive total compensation strategy that will allow the organization to attract and retain talented employees who align with the corporate vision and values and contribute to the success of the Company. At the same time, ENWIN is cognizant of its fiscal responsibility to rate payers.

The utility seeks competitiveness in the employment market through compensation and benefits practices that are equitable, consistent, practical and in accordance with the legal requirements of the Employment Standards Act, Pay Equity Act, Canada Revenue Agency Act and other applicable legislation.

ENWIN is also committed to developing and maintaining salary and benefit practices, policies and procedures that provide an effective means of controlling expenditures and are responsive to the changing conditions within the community. All compensation and benefits programs are influenced by the economic health of the company and our community.

The Governance and Human Resources Committee, comprised of members of the Board of EWU, is responsible, in concert with the Executive Committee, for

providing direction to management in development of the compensation framework and recommending the approval of the compensation for staff and managers.

The committee is guided by the need to provide a total compensation package that will attract and retain qualified and experienced staff and executives and by the best practice of linking compensation to performance.

Additionally, ENWIN strives to offer a total compensation package that is competitive with other organizations of similar size, scope and geographic and economic composition.

A market comparison, aided by an independent consultant, was performed in 2016. This undertaking examined comparators from both the public and private sectors, as well as direct industry comparators. Findings indicated that compensation was comparable.

Executive compensation is ultimately approved by the Board of Directors. In making its recommendations to the Board, the Committee examines the responsibilities and performance of individual executives and considers the recommendations of the President and Chief Executive Officer.

Total cash compensation for Executives consists of two components: base salary and a variable performance incentive

opportunity. Total cash compensation is benchmarked to companies of comparable size and scope.

The variable performance incentive opportunity is paid on an annual basis and is expressed as a percentage of base salary. It is designed to ensure alignment with corporate objectives, retain and motivate executives and reward them for their performance during the preceding year.

Payments are based on the achievement of corporate and individual stretch objectives, both financial and non-financial, which are established each year and approved by the Board of Directors.

Non-financial targets are designed to achieve continuous improvement in relation to a number of strategic themes including, but not limited to, customer service, safety, innovation, leadership, accountability and integrity, as well as any other specific objectives established by the board.

Management and executives participate in a benefits program that includes extended health care, dental care, basic and optional life insurance and short-term and long-term disability insurance.

All employees also participate in the OMERS pension plan. This plan is a mandatory, multi-employer, contributory, defined benefit pension plan established by the Province for employees of municipalities, local boards and school boards in Ontario.

Pension benefits are determined by a formula based on the highest consecutive five-year average of contributory earnings and years of service. Pension benefits are indexed to increases in the Consumer Price Index, subject to an annual maximum of six percent. Both participating employers and participating employees are required to make equal contributions to the plan, based on the participating employees' contributory earnings. Earnings for pension purposes are capped based on recent plan changes.

Although not a requirement for companies like WCU and its subsidiaries incorporated under Ontario's Business Corporations Act, WCU's wholly owned subsidiary, EWU, discloses the annual compensation of those serving in senior executive and board positions. It does so in keeping with the disclosure rules for corporations listed on the stock exchanges, and for companies that obtain funds through certain debt markets.

The ENWIN Group is also guided by the scope of disclosure demonstrated by certain companies in the energy sector, which, like ENWIN, are licensed and regulated by the OEB.

Directors receive an annual stipend and meeting fees for service. In the interest of transparency, the EWU Board members and senior executives have voluntarily consented to the disclosure of their remuneration in a public manner. This takes place in the spring of each year for the preceding year.



ENWIN line workers address maintenance along the CP rail line, partnering with CP for employee safety.

Performance + Fiscal Responsibility = Compensation

EXECUTIVE MANAGEMENT TEAM

Helga Reidel, FCPA, FCA, ICD.D
President & CEO

Helga Reidel has served as President and CEO of ENWIN since 2016, following more than 30 years of progressively responsible business experience, including Chief Administrative Officer with the City of Windsor, Vice President of the Windsor Detroit Tunnel Corporation and Vice President of Finance for Windsor Family Credit Union. She serves on several boards of directors. Ms. Reidel graduated from the University of Windsor and the Institute of Corporate Directors in conjunction with the University of Toronto Rotman School of Business. Her degrees and designations include B.Comm, B.Ed, FCPA, FCA, OCT and ICD.D.

Matt Carlini, CPA, CA, MBA
Vice President Corporate Services & CFO

Matt Carlini first joined ENWIN in 2007 and has held various financial positions within the organization. He was appointed to the position of Vice President Corporate Services and Chief Financial Officer in 2019. Having acquired more than 17 years of financial leadership experience within the energy, financial services, automotive manufacturing and public accounting industries, Mr. Carlini brings hands-on and strategic knowledge critical to ensuring long-term corporate financial sustainability to the ENWIN group of companies. He holds a Business Administration degree from the University of Windsor and a Master of Business Administration degree from the University of Michigan, along with the designation of CPA, CA.

Garry Rossi, P.Eng.
Vice President Water Operations

Garry Rossi has held progressive management positions with the ENWIN Group of Companies. As Vice President Water Operations, he leads the senior management team that develops the framework for a safe, reliable and efficient drinking water system. Prior to his work with ENWIN, Mr. Rossi held management, process and engineering positions within the automotive, wastewater and waste management sectors. Mr. Rossi holds an Honours Degree in Environmental Engineering from the University of Windsor and is a licensed Professional Engineer.

John R. Wladarski, C.E.T.
Vice President Customer Operations and Business Development & COO (Retired 12/31/2020)

John Wladarski attained the position of Vice President Customer Operations and Business Development & COO, following more than 30 years in executive management positions in public works and the electrical and water distribution sectors in Ontario, including previous executive management positions at ENWIN. He is a graduate of Civil Engineering Technology from St. Clair College of Applied Arts and Technology, Leadership and Operations Management at the Ivey Business School at Western University and the EDA Executive Development Program. He received the St. Clair College Alumni of Distinction Award in 2012. Mr. Wladarski managed a number of major projects during the year prior to his retirement on December 31, 2020.

Jim Brown, P.Eng.
Vice President Hydro Operations

Jim Brown joined ENWIN in 1999, following more than 20 years of experience in the natural gas distribution business. He has held progressively more responsible positions in engineering, operations and management, assuming the role of Vice President Hydro Operations in 2017. He holds an Engineering degree from the University of Western Ontario and a Business degree from the University of Windsor and is a licensed Professional Engineer in the Province of Ontario.

Paul Gleason, LL.M.
Vice President Customer Care and Corporate Operations & Corporate Secretary (Effective 12/16/2020)

Paul Gleason has held positions of increasing responsibility within the ENWIN Group of Companies for eleven years, assuming the role of Director Regulatory Affairs in 2015 and adding the role of Corporate Secretary in 2017. On December 16, 2020, Mr. Gleason was promoted to the role of Vice President Customer Care and Corporate Operations. His previous experience includes more than 12 years in progressive management roles in the automotive industry. Mr. Gleason holds a Master of Laws (LL.M.) degree in Energy and Infrastructure Law, a CSCMP from the Supply Chain Management Association and an Honours Bachelor of Economics degree from Laurentian University.

FINANCIAL STATEMENTS

WINDSOR CANADA UTILITIES

Fiscal Year ending December 31, 2020



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INDEPENDENT AUDITORS' REPORT

To the Shareholder of Windsor Canada Utilities Ltd.

Opinion

We have audited the consolidated financial statements of Windsor Canada Utilities Ltd. (the Entity), which comprise:

- the consolidated balance sheet as at December 31, 2020
- the consolidated statement of income for the year then ended
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditors' Responsibilities for the Audit of the Financial Statements"** section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a single, long, horizontal, slightly curved line.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 28, 2021

WINDSOR CANADA UTILITIES LTD.

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Year ended December 31, 2020

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WINDSOR CANADA UTILITIES LTD.

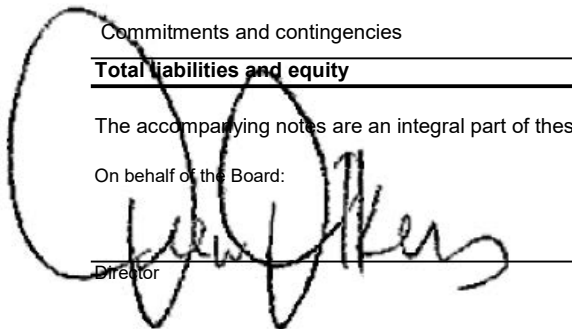
Consolidated Balance Sheet
(In thousands of Canadian dollars)

December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Assets			
Current assets:			
Cash and cash equivalents	4	\$ 39,838	\$ 34,507
Investment	9	8,182	6,311
Accounts receivable	5	53,312	52,144
Due from related parties	22	2,166	882
Inventory	6	4,174	4,923
Other assets		2,076	1,649
		109,748	100,416
Non-current assets:			
Property, plant and equipment	7	243,219	239,063
Intangible assets	8	2,083	3,281
Investment, sinking fund	9	11,055	9,454
Investment in joint venture	23	135	159
Work in progress		255	261
Due from related parties - debentures and post-retirement	22	52,411	53,233
Deferred income taxes	16	9,118	9,742
		318,276	315,193
Total assets		\$ 428,024	\$ 415,609
Liabilities			
Current liabilities:			
Accounts payable and accruals	10	\$ 34,585	\$ 27,733
Payments in lieu of income taxes payable	16	428	1,890
Due to related parties	22	6,998	6,581
Current portion of customer deposits	11	988	920
Deferred revenue		7,842	8,405
		50,841	45,529
Non-current liabilities:			
Customer deposits	11	3,954	3,818
Deferred revenue - customer contributions	12	18,751	18,101
Long-term debt	13	102,497	102,483
Employee future benefits	14	69,388	62,142
		194,590	186,544
Total liabilities		245,431	232,073
Equity			
Common shares	17	81,842	81,842
Contributed surplus		516	516
Retained earnings		103,478	100,162
Accumulated other comprehensive income (loss)		(3,243)	1,016
		182,593	183,536
Commitments and contingencies	25		
Total liabilities and equity		\$ 428,024	\$ 415,609

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board:



Director



Director

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Income
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Revenue from sale of electricity:			
Sale of electricity		\$ 276,540	\$ 254,853
Distribution revenue	18	49,019	51,400
		325,559	306,253
Cost of electricity purchased		280,260	255,384
Gross profit		45,299	50,869
Other revenue:			
Services provided to Windsor Utilities Commission	22	18,850	19,689
Other income	19	8,450	7,004
		27,300	26,693
Operating expenses:			
Operating and distribution expenses	20	34,395	32,595
Billing, collecting and administrative expenses	20	14,638	15,322
Depreciation and amortization	7, 8	12,219	13,160
		61,252	61,077
Income from operating activities		11,347	16,485
Finance expense (income):			
Finance income	21	(3,144)	(3,637)
Finance expense	21	4,306	4,365
		1,162	728
Income before tax		10,185	15,757
Income taxes:			
Provision for payments in lieu of corporate taxes	16	709	8,168
Deferred income taxes	16	2,160	(4,566)
		2,869	3,602
Income for the year		\$ 7,316	\$ 12,155

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Comprehensive Income
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Income for the year		\$ 7,316	\$ 12,155
Other comprehensive income:			
Items that will not be reclassified to the statement of income:			
Remeasurement of employee future benefits income (loss)	14	(5,795)	5,033
Related tax	16	1,536	(1,334)
Other comprehensive income (loss)		(4,259)	3,699
Total comprehensive income for the year		\$ 3,057	\$ 15,854

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Changes in Equity
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Share capital	Contributed surplus	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2019	\$ 81,842	\$ 516	\$ 92,007	\$ (2,683)	\$ 171,682
Income for the year	-	-	12,155	-	12,155
Dividends declared	-	-	(4,000)	-	(4,000)
Other comprehensive income	-	-	-	3,699	3,699
Balance at December 31, 2019	\$ 81,842	\$ 516	\$ 100,162	\$ 1,016	\$ 183,536
Income for the year	-	-	7,316	-	7,316
Dividends declared	-	-	(4,000)	-	(4,000)
Other comprehensive loss	-	-	-	(4,259)	(4,259)
Balance at December 31, 2020	\$ 81,842	\$ 516	\$ 103,478	\$ (3,243)	\$ 182,593

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

Consolidated Statement of Cash Flows
(In thousands of Canadian dollars)

Year ended December 31, 2020, with comparative information for 2019

	Notes	2020	2019
Cash flows from operating activities:			
Total comprehensive income for the year		\$ 3,057	\$ 15,854
Adjustments for:			
Depreciation and amortization	7,8	12,219	13,160
Amortization of deferred revenue customer contributions		(493)	(417)
Remeasurement of employee future benefits	14	5,795	(5,033)
Gain on investment	9	(522)	(617)
Loss (gain) on sale of property, plant and equipment	19	(1,050)	537
Amortization of debt issuance costs		14	13
Share in joint venture's net loss		24	28
Income tax expense	16	709	8,168
		19,753	31,693
Changes in:			
Net finance expense	21	1,148	715
Accounts receivable		(1,168)	(3,478)
Due from related parties	22	(1,284)	1,901
Inventory		749	(1,174)
Other assets		(427)	(791)
Investment in joint venture		-	(100)
Work in progress		6	36
Deferred income taxes		624	(3,232)
Accounts payable and accruals		6,852	1,724
PIL of income taxes		1,542	(2,979)
Due to related parties	22	417	932
Deferred revenue		(563)	(352)
Customer deposits		204	(2,100)
Employee future benefits		1,451	2,778
		9,551	(6,120)
Interest paid		(4,292)	(4,352)
Interest received		3,144	3,637
Income taxes paid		(3,713)	(4,237)
		24,443	20,621
Cash flows from investing activities:			
Acquisition of property, plant, equipment and intangible assets	7, 8	(16,749)	(21,630)
Acquisition of investment	9	(2,950)	(1,200)
Deferred revenue - customer contributions		1,143	4,081
Proceeds on sale of property, plant & equipment		2,622	73
		(15,934)	(18,676)
Cash flows from financing activities:			
Decrease in due from related parties	22	822	822
Dividends paid		(4,000)	(4,000)
		(3,178)	(3,178)
Net increase (decrease) in cash and cash equivalents		5,331	(1,233)
Cash and cash equivalents at January 1		34,507	35,740
Cash and cash equivalents at December 31		\$ 39,838	\$ 34,507

The accompanying notes are an integral part of these consolidated financial statements.

WINDSOR CANADA UTILITIES LTD.

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(in thousands of Canadian dollars)

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WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements
(in thousands of Canadian dollars)

Year ended December 31, 2020

1. Reporting entity:

Windsor Canada Utilities Ltd. ("WCUL" or the "Corporation") is a holding company owned by its sole shareholder, the Corporation of the City of Windsor (the "City"). WCUL was incorporated in December of 1999 under the Business Corporations Act (Ontario). The principal business of WCUL is to provide strategic direction and financing to the operations of ENWIN Utilities Ltd. ("EWU"), a rate-regulated distribution company, and ENWIN Energy Ltd. ("EWE"), a non-regulated service company. The address of WCUL's registered office is 4545 Rhodes Drive, Windsor, Ontario, Canada.

The principal activity of WCUL, through its wholly-owned subsidiary, EWU, is the ownership and operation of the electricity distribution grid in the City. WCUL, through its wholly-owned subsidiary, EWE, is also responsible for the provision of sentinel lighting to the businesses of the City and street lighting maintenance services to the City.

These financial statements are presented on a consolidated basis and include the following subsidiaries: EWU and EWE. Hereafter, for purposes of these notes, unless specifically referenced, any and all references to the "Corporation" refer to WCUL and its subsidiaries EWU and EWE.

On November 6, 2012, EWU and the Windsor Utilities Commission (the "Commission") entered into a Water System Operating Agreement ("WSOA"), whereby EWU agreed to provide services to the Commission with respect to operating the water treatment and distribution system as well as District Energy. The services include: management, administrative services, construction operations, and maintenance services. EWU is responsible for providing all personnel required to operate the water system and District Energy. Pursuant to the terms of the WSOA and the associated Employee Arrangement Agreement, also dated November 6, 2012, the Commission transferred all non-unionized employees and all unionized employees of the Commission to EWU. The Commission is a local board of the City.

Through its wholly-owned subsidiary, EWE, the Corporation has a joint venture investment in ONtech Rapid Coatings Inc. ("ONtech"), which is accounted for using the equity method.

The Corporation's arrangements with its subsidiaries, the Commission and the City are subject to the Ontario Energy Board's ("OEB") Affiliate Relationships Code, which is a code prescribed by and issued pursuant to the Ontario Energy Board Act, 1998.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation:

(a) Statement of compliance:

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB.

(b) Approval of the consolidated financial statements:

The consolidated financial statements were approved by the Board of Directors on April 28, 2021.

(c) Basis of measurement:

The consolidated financial statements have been prepared on the historical cost basis except for the following:

- (i) Where held, financial instruments at fair value through profit or loss, are measured at fair value.
- (ii) The accrued benefit related to the Corporation's unfunded defined benefit plan is actuarially determined and is measured at the present value of the defined benefit obligation.

(d) Functional and presentation currency:

These consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand dollars.

(e) Use of estimates and judgements:

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(e) Use of estimates and judgements (continued):

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

In particular, significant areas where upon estimation was required that have the most significant effect on the amounts recognized in these consolidated financial statements, include:

- (i) Note 3(j) – Deferred revenue: determination of the performance obligation for contributions from customers and the related amortization period;
- (ii) Note 5 – Trade accounts receivables: allowance for impairment. Unbilled revenue: measurement of revenues not yet billed;
- (iii) Note 7 – Property, plant and equipment: useful lives and the identification of significant components of property, plant and equipment;
- (iv) Note 14 – Employee future benefits: measurement of the defined benefit obligation;
- (v) Note 24 – Financial instruments and risk management: valuation of financial instruments.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements, include:

- (i) The Corporation's determination that they are acting as a principal for electricity distribution and therefore have presented the electricity revenues on a gross basis.

(f) Rate regulation:

EWU is regulated by the OEB, under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity customers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDC"), such as EWU, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(f) Rate regulation (continued):

In its capacity to approve or set rates, the OEB has the authority to specify regulatory accounting treatments that differ from IFRS. The OEB's regulatory accounting treatments require the recognition of regulatory assets and liabilities which do not meet the definition of an asset or liability under IFRS and, as a result, these regulatory assets and liabilities have not been recorded in these consolidated IFRS financial statements.

(i) Rate setting:

The electricity distribution rates and other regulated charges of EWU are determined by the OEB. This regulated rate-setting provides LDCs with the opportunity to recover the revenue requirement associated with owning and operating the LDC. The revenue requirement represents the forecasted prudent costs, including the cost of capital, which will be reasonably necessary for the LDC to invest in the electricity grid, operate the electricity grid, and serve customers in its licenced service area.

(ii) Rate applications:

When EWU files a "Cost of Service" ("COS") rate application, the OEB establishes the revenues required to recover the forecasted operating costs, including amortization and income taxes, of providing the regulated electricity distribution service and providing a fair return on EWU's rate base. EWU estimates electricity usage and the costs to service each customer class in order to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and any registered intervenors. Rates are approved based upon the review of evidence and information, including any revisions resulting from that review.

In the intervening years between a COS, an Incentive Regulation Mechanism ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor set by the OEB and a stretch factor determined by the relative efficiency of an electricity distributor.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

2. Basis of preparation (continued):

(f) Rate regulation (continued):

(iii) Distribution rates:

On April 26, 2019, EWU submitted a COS application to the OEB to change distribution rates effective January 1, 2020. The application was approved by the OEB on December 5, 2019.

3. Significant accounting policies:

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements.

(a) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and investments with a maturity of approximately three months or less at the date of purchase, unless they are held for investment rather than liquidity purposes, in which case they are classified as an investment.

(b) Financial instruments:

All consolidated financial assets and liabilities of the Corporation are classified into one of the following categories: amortized cost, fair value through other comprehensive income, or fair value through profit or loss.

The Corporation has classified its financial instruments as follows:

Cash and cash equivalents	Amortized cost
Accounts receivable	Amortized cost
Due from related parties	Amortized cost
Investment	Fair value through profit or loss
Accounts payable and accruals	Amortized cost
Due to related parties	Amortized cost
Long-term debt	Amortized cost

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(b) Financial instruments (continued):

Financial instruments are recognized initially at amortized cost plus any directly attributable transaction costs.

Subsequent to initial recognition, financial instruments classified as fair value through profit and loss are measured at fair value. The Corporation does not use derivative instruments.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

(c) Fair value:

Fair values are categorized into different levels in a fair value hierarchy based on inputs used in the valuation techniques as follows:

Level 1: unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset, either directly or indirectly; and

Level 3: inputs for assets and liabilities that are based on observable market data.

(d) Inventory:

Inventory is measured at the lower of cost and net realizable value. The cost of inventory is determined on a weighted average basis. Net realizable value is determined on a replacement cost basis.

(e) Property, plant and equipment:

(i) Recognition and measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalized borrowing costs. Borrowing costs on qualifying assets are capitalized as part of the cost of the asset and are based on the Corporation's average cost of borrowing.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components).

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(e) Property, plant and equipment (continued):

(ii) Subsequent costs:

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of income as incurred.

(iii) Depreciation:

Depreciation is recognized in the consolidated statement of income on a straight-line basis over the estimated useful life of each part or component of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives for the current and comparative years are as follows:

Buildings	10 – 50 years
Distribution and metering equipment	8 – 80 years
Other assets	5 – 20 years

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized within other income in the consolidated statement of income.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(f) Intangible assets:

(i) Computer software:

Computer software that is acquired or developed by the Corporation, including software that is not integral to the functionality of equipment purchased, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(f) Intangible assets (continued):

(ii) Amortization:

Amortization is recognized in the consolidated statement of income on a straight-line basis over the estimated useful lives of the intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative years are:

Computer software	5 – 10 years
-------------------	--------------

Amortization methods and useful lives are reviewed at each reporting date.

(g) Work in progress:

Work in progress is recorded at cost, with cost being determined based on material purchased services, internal labour and overhead, as applicable.

(h) Impairment:

(i) Financial assets:

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

All impairment losses are recognized in the consolidated statement of income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(h) Impairment (continued):

(ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than inventory, work-in-progress and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of income and are allocated to reduce the carrying amount of the assets in the cash-generating unit on a pro-rata basis.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Employee future benefits:

(i) Pension plan:

EWU provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer, contributory, defined benefit pension plan established in 1962 by the Province of Ontario for employees of municipalities, local boards and school boards in Ontario. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension assets and liabilities information by individual employer, there is not sufficient information to enable EWU to account for the plan as a defined benefit plan. The plan has been accounted for as a defined contribution plan. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in income when they are due. At December 31, 2020, the OMERS plan is in a deficit position.

(ii) Post-employment benefits, other than pension:

EWU pays certain health, dental and life insurance benefits, under unfunded defined benefit plans, on behalf of its retired employees. These benefits are provided through a group defined benefit plan. EWU is the legal sponsor of the Plan. There is a policy in place to allocate the net defined benefit cost to the entities participating in the group plan. The allocation is based on the obligation attributable to the plan participants. EWU has reflected its share of the defined benefit costs and related liabilities, as calculated by the actuary, in these consolidated financial statements.

EWU accrues the cost of these employee future benefits over the periods in which the employees earn the benefits. The accrued benefit obligations and the current service costs are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. The current service cost for a period is equal to the actuarial present value of benefits attributed to that period in which employees rendered their services.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(i) Employee future benefits (continued):

(ii) Post-employment benefits, other than pension (continued):

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized immediately in other comprehensive income. EWU determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit liability at the beginning of the annual period, taking into account any changes in the net benefit liability during the period as a result of benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in the consolidated statement of income.

Gains and losses on account of curtailment or settlement of these employee future benefits are recognized immediately in income.

In accordance with the WSOA and the Employee Arrangement Agreement between the Commission and EWU, the Plan was amended such that all active Commission management and union employees were included as part of the Plan, and have their coverage sponsored by EWU. A date of December 31, 2012 was assumed by the actuary to reflect this event in the Plan.

(j) Deferred revenue:

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. These contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

(k) Customer deposits:

Customer deposits include cash collections from customers, which are applied against any unpaid portion of individual customer accounts. Effective January 1, 2011, the OEB required that a customer's deposit be applied to the customer's account prior to the severance process commencing. OEB rules also specify that customer deposits in excess of unpaid account balances must be refunded to customers. Customer deposits are also refundable at EWU's discretion when a customer demonstrates an acceptable level of credit risk. EWU only retains commercial deposits. Customer deposits also include monies received from developers and distribution customers for services that are recorded as construction in progress and, once the assets are put into service, will be accounted for through a capital contribution.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(l) Revenue recognition:

IFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognized.

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that EWU has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Revenue for EWU is recognized when EWU satisfies the performance obligations within the contract(s) for conditions of service, which is when the distribution and delivery of electricity is achieved or specific services are performed.

Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of electricity consumed by customers since the date of each customer's last meter reading. Actual electricity usage could differ from those estimates.

Revenue is measured at the fair value of the consideration received or receivable, net of any taxes which may be applicable.

Street lighting maintenance revenue – EWE has a contract with the City to provide maintenance of the street lighting system. This contract includes replacing damaged or non-functioning street lighting. Revenue is recognized when the services have been performed. There is also a fixed component to the contract that is recognized evenly throughout the year.

Sentinel lighting revenue – EWE provides sentinel lighting equipment to customers. A monthly rental charge is earned by EWE for the use of the sentinel light equipment.

Other income for work orders is recorded on a net basis as the Corporation is acting as an agent for this revenue stream. All other amounts in other income are recorded on a gross basis and are recognized when services are rendered.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(m) Finance costs:

Finance costs comprise interest expense on borrowings and unwinding of the discount rate on provisions.

(n) Income taxes:

The income tax expense comprises current and deferred tax. Income tax expense is recognized in the consolidated statement of income except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

Under the Electricity Act 1998, the Corporation makes payments in lieu of corporate taxes to Ontario Electricity Financial Corporation. These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporation Tax Act (Ontario) as modified by the Electricity Act, 1998 and related regulations. Payments in lieu of taxes ("PILS") are referred to as income taxes.

Current tax is the expected PILs payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statement of income in the year that includes the date of enactment or substantive enactment.

(o) Set-off and reporting on a net basis:

Assets and liabilities and income and expenses are not offset and reported on a net basis unless required or permitted by IFRS. For financial assets and financial liabilities, offsetting is permitted when, and only when, the Corporation has a legally enforceable right to set-off and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(p) New standards and interpretations not yet adopted:

The following standards which are not yet effective for the year ended December 31, 2020, have not been applied in preparing these financial statements.

Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

On May 14, 2020, the IASB issued *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)*.

The amendments are effective for annual periods beginning on or after January 1, 2022. Early adoption is permitted.

The amendments provide guidance on the accounting for sale proceeds and the related production costs for items a company produces and sells in the process of making an item of property, plant and equipment (“PPE”) available for its intended use. Specifically, proceeds from selling items before the related item of PPE is available for use should be recognised in profit or loss, together with the costs of producing those items.

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

On May 14, 2020, the IASB issued *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*.

The amendments are effective for annual periods beginning on or after January 1, 2022 and apply to contracts existing at the date when the amendments are first applied. Early adoption is permitted.

IAS 37 does not specify which costs are included as a cost of fulfilling a contract when determining whether a contract is onerous. The IASB’s amendments address this issue by clarifying that the ‘costs of fulfilling a contract’ comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of PPE used in fulfilling the contract.

Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)

On January 23, 2020, the IASB issued amendments to IAS 1 *Presentation of Financial Statements*, to clarify the classification of liabilities as current or non-current. On July 15, 2020, the IASB issued an amendment to defer the effective date by one year.

The amendments are effective for annual periods beginning on or after January 1, 2023. Early adoption is permitted.

For the purposes of non-current classification, the amendments removed the requirement for a right to defer settlement or roll over of a liability for at least twelve months to be

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

3. Significant accounting policies (continued):

(p) New standards and interpretations not yet adopted (continued):

unconditional. Instead, such a right must have substance and exist at the end of the reporting period.

The Corporation has assessed the potential impacts on its financial statements, and determined that the future pronouncements will not have a material impact on the Corporation.

4. Cash and cash equivalents:

	2020	2019
Cash and cash equivalents	\$ 39,838	\$ 34,507
Cash and cash equivalents	\$ 39,838	\$ 34,507

The Corporation has an agreement with a Canadian chartered bank for an operating line of credit in the amount of \$75,000 (2019 - \$75,000) bearing interest at prime minus 0.25%. The line of credit restricts the availability of the Corporation to lien assets. As of December 31, 2020, the outstanding balance in the line of credit was \$nil (2019 - \$nil).

5. Accounts receivable:

	2020	2019
Trade receivables	\$ 26,129	\$ 25,039
Unbilled revenue	28,293	28,391
Allowance for doubtful accounts	(1,110)	(1,286)
Accounts receivable	\$ 53,312	\$ 52,144

6. Inventory:

Inventory consists of parts and supplies acquired for capital, internal construction, maintenance or recoverable work.

The amount of inventory consumed by the Corporation and recognized as an expense during 2020 was \$4,387 (2019 - \$5,645).

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

7. Property, plant and equipment:

(a) Cost:

	Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
Balance at January 1, 2019	\$ 21,297	\$ 249,742	\$ 24,295	\$ 1,891	\$ 297,225
Additions	204	15,646	3,046	1,661	20,557
Disposals/retirements	(27)	(843)	-	-	(870)
Balance at December 31, 2019	\$ 21,474	\$ 264,545	\$ 27,341	\$ 3,552	\$ 316,912
Balance at January 1, 2020	\$ 21,474	\$ 264,545	\$ 27,341	\$ 3,552	\$ 316,912
Additions	3,788	10,103	2,477	(38)	16,330
Disposals/retirements	(1,355)	(939)	(208)	-	(2,502)
Balance at December 31, 2020	\$ 23,907	\$ 273,709	\$ 29,610	\$ 3,514	\$ 330,740

(b) Accumulated depreciation:

	Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
Balance at January 1, 2019	\$ 7,058	\$ 46,483	\$ 14,112	\$ -	\$ 67,653
Depreciation charge for the year	938	7,203	2,305	-	10,446
Disposals/retirements/transfers	(1)	(249)	-	-	(250)
Balance at December 31, 2019	\$ 7,995	\$ 53,437	\$ 16,417	\$ -	\$ 77,849
Balance at January 1, 2020	\$ 7,995	\$ 53,437	\$ 16,417	\$ -	\$ 77,849
Depreciation charge for the year	770	7,592	2,240	-	10,602
Disposals/retirements/transfers	(407)	(316)	(207)	-	(930)
Balance at December 31, 2020	\$ 8,358	\$ 60,713	\$ 18,450	\$ -	\$ 87,521

(c) Carrying amounts:

	Land and buildings	Distribution and metering equipment	Other assets	Construction work-in- progress	Total
December 31, 2019	\$ 13,479	\$ 211,108	\$ 10,924	\$ 3,552	\$ 239,063
December 31, 2020	\$ 15,549	\$ 212,996	\$ 11,160	\$ 3,514	\$ 243,219

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

8. Intangible assets:

(a) Cost or deemed cost:

	Computer software
Balance at January 1, 2019	\$ 29,977
Additions	1,073
Balance at December 31, 2019	\$ 31,050
Balance at January 1, 2020	\$ 31,050
Additions	419
Balance at December 31, 2020	\$ 31,469

(b) Accumulated amortization:

	Computer software
Balance at January 1, 2019	\$ 25,055
Amortization charge for the year	2,714
Balance at December 31, 2019	\$ 27,769
Balance at January 1, 2020	\$ 27,769
Amortization charge for the year	1,617
Balance at December 31, 2020	\$ 29,386

(c) Carrying amounts:

	Computer software
December 31, 2019	\$ 3,281
December 31, 2020	\$ 2,083

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

9. Investment:

EWU and EWE have short-term fixed income investments. EWU has an initial investment of \$1,750 invested in a one-year term deposit at a rate of 1.3% compounded annually (2019 – \$nil), with a maturity date of December 21, 2021. EWE has an initial investment of \$3,247 invested in a one-year term deposit at a rate of 1.3% compounded annually (2019 - \$3,160) with a maturity date of October 26, 2021. Another investment of \$3,177 (2019 - \$3,135) has been invested in a high interest savings account at the rate of prime less 1.45%.

	2020	2019
Investment:		
Term deposit	\$ 5,005	\$ 3,176
High interest savings	3,177	3,135
Total investment	\$ 8,182	\$ 6,311

In 2014, a sinking fund was established with the intent to ensure sufficient funds are available to settle debentures issued November 6, 2012, with a maturity date of November 6, 2042, in the amount of \$103,000. There are no restrictions with this investment. Annual payments are expected to be completed to satisfy the obligation.

These investments are recorded at fair value as of December 31, 2020, and are invested in fixed income and equity markets as established by the Corporation's investment policy.

	2020	2019
Investment:		
Sinking fund	\$ 11,055	\$ 9,454
Investment, sinking fund	\$ 11,055	\$ 9,454

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

10. Accounts payable and accruals:

	2020	2019
Trade payables	\$ 20,773	\$ 18,083
Accrued expenses	13,812	9,650
	<u>\$ 34,585</u>	<u>\$ 27,733</u>

See accounting policies in Note 3(b). Information about the Corporation's exposure to currency and liquidity risk is included in Note 24.

11. Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers, as well as construction deposits.

Customer deposits comprise:

	2020	2019
Customer deposits	\$ 4,065	\$ 4,291
Construction deposits	877	447
	<u>4,942</u>	<u>4,738</u>
Less: current portion	(988)	(920)
	<u>\$ 3,954</u>	<u>\$ 3,818</u>

12. Deferred revenue – customer contributions:

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue received from customers is \$18,751 (2019 - \$18,101). Deferred revenue is recognized as revenue on a straight-line basis over the life of the asset for which the contribution was received.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

13. Long-term borrowings:

Long-term borrowings comprise:

	2020	2019
Debentures payable	\$ 103,000	\$ 103,000
Less: debt issuance costs	(503)	(517)
	<u>\$ 102,497</u>	<u>\$ 102,483</u>

Senior unsecured debentures, which have a maturity date of November 6, 2042, and bearing interest at a rate of 4.134% per annum, were issued on November 6, 2012. Interest is payable in equal semi-annual instalments, in arrears, on May 6 and November 6 each year commencing May 6, 2013, until maturity. The debentures are represented by a single Global Debenture Certificate registered in the name of CDS & Co. In order to put the debentures in place, the Corporation incurred debt issuance costs in the amount of \$601. The debentures require semi-annual interest payments only to 2042 of \$2,129, with a final principal payment of \$103,000 due November 6, 2042.

The Corporation incurred interest expense in respect of the debentures of \$4,258 (2019 - \$4,258), which is recognized as part of finance expense on the consolidated statement of income.

The Commission is a guarantor of \$52,000 in relation to the debentures and is a borrower of that same amount from WCUL pursuant to a revolving credit agreement also entered into on November 6, 2012. The Commission is obligated to make due and punctual payments of the principal and applicable interest on each debenture on their due dates, on maturity, on redemption or on acceleration.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Employee future benefits:

EWU pays certain health, dental and life insurance benefits on behalf of its retired employees. Significant assumptions underlying the actuarial valuation include management's best estimate of the interest (discount) rate, mortality decrement, the average retirement age of employees, employee turnover and expected health and dental care costs.

The Plan was amended such that all active Commission management and union employees covered under the Commission collective agreement from July 1, 2012, would be included as part of the Plan and have their coverage sponsored by EWU. The December 31, 2012 date was chosen to reflect this event in the Plan. Reference Note 1 for further information.

EWU measures its accrued benefit liability for accounting purposes as at December 31 each year. A valuation date of December 31, 2019, with extrapolation to December 31, 2020, has been used to calculate the current obligation. EWU's employee future benefit liability consists of the following:

	2020	2019
Defined benefit liability	\$ 69,388	\$ 62,142
Defined benefit liability, end of year	\$ 69,388	\$ 62,142

Information about EWU's unfunded defined benefit plan is as follows:

Changes in the present value of the defined benefit liability:

	2020	2019
Defined benefit liability, beginning of year	\$ 62,142	\$ 64,397
Defined benefit expense	3,248	4,490
Actuarial loss (gain) on liability recognized in other comprehensive income	5,795	(5,033)
Benefits paid for the year	(1,797)	(1,712)
Defined benefit liability, end of year	\$ 69,388	\$ 62,142

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

14. Employee future benefits (continued):

Components of net benefit expense recognized are as follows:

		2020		2019
Current service cost	\$	1,348	\$	1,949
Interest cost		1,900		2,541
Net benefit expense	\$	3,248	\$	4,490

Net benefit expense for the year is recognized as administrative expense on the consolidated statement of income.

The main actuarial assumptions underlying the valuation are as follows:

(a) Health care cost trend rates:

The health care cost trend for prescription drugs is estimated to increase at 6.4% in 2020 grading down to 4.0% by 2041. Other health expenses are estimated to increase at 4.95% grading down to 4.0% by 2041. Dental expenses are estimated to increase at 4.0% per year.

(b) Financial instruments:

The liabilities at the period end and the present value of future liabilities were determined using a discount rate of 2.6% (2019 – 3.1%) representing an estimate of the yield on high quality corporate bonds as at the valuation date.

(c) Mortality decrement:

The rates applicable to public sector retirees in the 2014 Canadian Pensioners Mortality table produced by the Canadian Institute of Actuaries were used as the basis of these assumptions.

A 1% or one year change in actuarial assumptions, assuming all other factors remain constant, has the following impact on the defined benefit liability carrying amount:

	December 31, 2020		December 31, 2019	
	Increase	Decrease	Increase	Decrease
Health care trend rate (1% change)	\$ 12,426	\$ (9,860)	\$ 10,335	\$ (8,260)
Discount rate (1% change)	(10,847)	13,973	(9,534)	12,782
Mortality (1 year)	3,104	(2,998)	2,540	(2,460)

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

15. Pension plan:

EWU participates in the Ontario Municipal Employees Retirement Fund ("OMERS"), a multi-employer plan, on behalf of its employees. The plan has been accounted for as a defined contribution plan. Contributions during the year were 9.0% (2019 - 9.0%) for employee earnings below the year's maximum pensionable earnings and 14.6% (2019 - 14.6%) thereafter. During 2020, EWU expensed contributions totalling \$3,200 (2019 - \$2,787) made to OMERS in respect of the employer's required contributions to the plan. Estimated contributions for 2021 are \$3,152.

16. Income taxes (provision for payment in lieu of corporate taxes):

	2020	2019
Current tax expense:		
Current year	\$ 883	\$ 3,334
Adjustments for prior years	(174)	4,834
Deferred tax expense:		
Origination and reversal of temporary differences	624	2,067
Adjustments for prior years	-	(5,299)
Tax related to remeasurement of employee future benefits	1,536	(1,334)
Total income taxes expense	\$ 2,869	\$ 3,602

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

16. Income taxes (provision for payment in lieu of corporate taxes) (continued):

The provision for income taxes varies from amounts which would be computed by applying the Corporation's combined statutory income tax rate as follows:

	2020	2019
Basic rate applied to total comprehensive income before income tax	26.50%	26.50%
Change in income tax resulting from: Items not deductible for tax purposes and other	1.67%	(3.64%)
Effective rate applied to comprehensive income before income taxes	28.17%	22.86%

The components of the deferred income tax assets and liabilities are summarized as follows:

	2020	2019
Deferred tax assets:		
Employee benefits	\$ 12,506	\$ 10,368
Property, plant and equipment	6	6
Regulatory assets	-	885
Share of joint venture's net loss	16	10
Other	255	257
Deferred tax liabilities:		
Property, plant and equipment	(3,035)	(1,709)
Regulatory assets	(551)	-
Other	(79)	(75)
Net deferred income tax asset	\$ 9,118	\$ 9,742

At December 31, 2020, a deferred tax asset of \$9,118 (2019 - \$9,742) has been recorded. The utilization of this tax asset is dependent on future taxable income in excess of income arising from the reversal of existing taxable temporary differences. The Corporation believes that this asset should be recognized as it will be recovered through future rates.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

17. Share capital:

	2020	2019
Authorized:		
Unlimited common shares		
Issued:		
2,000 common shares	\$ 81,842	\$ 81,842

18. Distribution revenue:

EWU generates revenue primarily from the sale and distribution of electricity to its customers. Other revenue consists of services provided to related parties and other income. Additional information is provided in Note 19 with the components of other income.

In the following table, distribution revenue is disaggregated by type of customer:

	2020	2019
Residential	\$ 25,635	\$ 26,322
General service – small distribution	17,385	18,730
General service – large distribution	4,446	4,583
Street lighting distribution	1,553	1,765
Total distribution revenue	\$ 49,019	\$ 51,400

19. Other Income:

Other income comprises:

	2020	2019
Change in occupancy	\$ 346	\$ 369
Late payment and collection charges	353	378
Other operating revenues	2,532	2,473
Gain (loss) on disposal of property, plant and equipment	1,050	(537)
Pole rental	1,576	1,540
Sale of scrap	72	93
Sewer surcharge billing and collecting	2,428	2,594
Sentinel lighting rental	93	94
Total other income	\$ 8,450	\$ 7,004

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

20. Employee benefits:

Employee benefit amounts are allocated between Operating and Distribution expenses and Billing, Collecting and Administration expenses.

	Note	2020	2019
Salaries and benefits		\$ 27,049	\$ 24,969
Contributions to multi-employer plan	15	3,200	2,787
Expenses related to defined benefit plans	14	3,248	4,490
		\$ 33,497	\$ 32,246

21. Finance expense (income):

	2020	2019
Finance income:		
Interest income on loans to affiliate	\$ (2,150)	\$ (2,150)
Interest income on bank balances	(472)	(864)
Income on investment	(522)	(623)
	(3,144)	(3,637)
Finance expense:		
Interest expense on long-term borrowings	4,258	4,258
Discount on related party debt	14	13
Other	34	94
	4,306	4,365
Net finance expense	\$ 1,162	\$ 728

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions:

(a) Parent and ultimate controlling party:

The parent of the Corporation is the City. The City produces consolidated financial statements that are available for public use.

(b) Key management personnel:

The key management personnel of the Corporation has been defined as members of its board of directors and executive management team members.

Key management compensation:

	2020	2019
Salaries and other short-term benefits	\$ 1,110	\$ 1,096
Post-employment benefits	16	12
	<u>\$ 1,126</u>	<u>\$ 1,108</u>

(c) Transactions with parent:

EWU provides waste water billing and related services for the City, for which EWU charges a fee. The total amount charged to the City for the year ended December 31, 2020, was \$2,428 (2019 - \$2,594). The fee charged for the waste water billing and related services were recognized as other income from operations on the consolidated statement of income.

EWU collects and remits the waste water billing amounts on behalf of the City. The total amount owing to the City at December 31, 2020, relating to waste water billing was \$6,998 (2019 - \$6,581).

EWE provides street lighting maintenance services to the City. The total amount charged to the City for the year ended December 31, 2020, relating to street lighting maintenance services was \$1,707 (2019 - \$1,171) and is recorded as part of other income from operations in the consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions (continued):

(d) Transactions with entities under common control:

On November 6, 2012, EWU and the Commission entered into a WSOA, whereby EWU agreed to provide services to the Commission with respect to the operation of the Commission's water system and District Energy. The total amount charged to the Commission for the year ended December 31, 2020, was \$18,850 (2019 - \$19,689).

(e) Amounts due from (to) related parties:

The amounts due from related parties consist of:

	2020	2019
Due from company under common control:		
Due from Windsor Utilities Commission	\$ 1,449	\$ 485
Due from parent:		
Due from the Corporation of the City of Windsor	717	397
	<u>\$ 2,166</u>	<u>\$ 882</u>

The amounts due from the City and the Commission are due on demand and are non-interest bearing. These amounts have no specified repayment terms.

Long term receivable due from related parties consist of:

	2020	2019
Due from Windsor Utilities Commission, debentures	\$ 52,000	\$ 52,000
Due from Windsor Utilities Commission, post-retirement	1,233	2,055
	<u>53,233</u>	<u>54,055</u>
Less: Current portion post-retirement	(822)	(822)
Due from related parties – debentures and post-retirement	<u>\$ 52,411</u>	<u>\$ 53,233</u>

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

22. Related party transactions (continued):

(e) Amounts due from (to) related parties (continued):

The amount due from the Commission, debentures is pursuant to the revolving credit agreement entered into by the Commission and the Corporation.

The amount due from the Commission, post-retirement, is a long term receivable resulting from the Employee Arrangement Agreement with EWU and is amortized over the estimated average remaining service life at the time of the agreement which was 9.5 years, payable each November.

The amounts due to related parties consist of:

	2020	2019
Due to parent:		
Due to the Corporation of the City of Windsor	\$ 6,998	\$ 6,581
	\$ 6,998	\$ 6,581

The amount due to the City is non-interest bearing.

23. Joint venture:

ONtech Rapid Coatings Inc. ("ONtech") is a Canadian controlled private corporation in which EWE has joint control and a 50% ownership interest. ONtech was founded by EWE and Tessonics Inc. and is principally engaged to offer low pressure cold spray solutions. The address of ONtech's registered office is 787 Ouellette Avenue, Windsor, Ontario, Canada.

ONtech is structured as a separate legal entity and EWE has a residual interest in its net assets. Accordingly, the Corporation has classified its interest in ONtech as a joint venture, which is accounted for using the equity method.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management:

The carrying values of cash and cash equivalents, accounts receivable, amounts due from (to) related parties, investment, accounts payable and accruals approximate fair values because of the short maturity of these instruments.

The following table illustrates the classification of the corporation's financial instruments using the fair value hierarchy as at December 31:

Assets	December 31, 2020			December 31, 2019		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Investment - fixed income	\$ -	\$ 16,395	\$ 16,395	\$ -	\$ 13,936	\$ 13,936
Investment - equity	2,842	-	2,842	1,829	-	1,829
	\$ 2,842	\$ 16,395	\$ 19,237	\$ 1,829	\$ 13,936	\$ 15,765

The fair value of the investments is \$19,237 (2019 - \$15,765). The fair value is calculated based on the quoted market price in the active markets.

The Corporation's activities provide for a variety of financial risks, particularly credit risk, market risk and liquidity risk.

(i) Credit risk:

The aging of accounts receivables at the reporting date was:

	2020	2019
Not past due	\$ 49,100	\$ 46,948
Past due 0 – 30 days	2,355	2,749
Past due 31 – 60 days	935	643
Greater than 60 days	2,032	3,090
	\$ 54,422	\$ 53,430

Financial assets carry credit risk that a counter-party will fail to discharge an obligation which would result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the City of Windsor. No single customer accounts for greater than 6.6% (2019 – 7.8%) of revenues.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
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Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(i) Credit risk (continued):

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in the consolidated statement of income. Subsequent recoveries of receivables previously provisioned are credited to the consolidated statement of income. The balance of the allowance for impairment at December 31, 2020 was \$1,110 (2019 - \$1,286).

A continuity of the allowance for doubtful accounts is as follows:

	2020	2019
Balance, beginning of year	\$ 1,286	\$ 985
Accounts receivable balances written off	(461)	(398)
Change in provisions for doubtful accounts	285	699
Balance, end of year	\$ 1,110	\$ 1,286

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately \$2,032 (2019 - \$3,090) is considered 60 days past due. Credit risk is managed through collection of security deposits from customers in accordance with OEB regulation. As of December 31, 2020, the Corporation holds security deposits in the amount of \$4,065 (2019 - \$4,291).

(ii) Liquidity risk:

Liquidity risk is the risk that the Corporation will not be able to meet its obligations associated with financial liabilities. The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest expense. The Corporation has access to a line of credit and monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(ii) Liquidity risk (continued):

The following are the contractual maturities of financial liabilities:

	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
2020						
Accounts payable and accruals	\$ 34,585	\$ -	\$ -	\$ -	\$ -	\$ 34,585
Due to related parties	6,998	-	-	-	-	6,998
Customer deposits	494	494	988	2,966	-	4,942
Long-term borrowings	-	-	-	103,000	(503)	102,497
	\$ 42,077	\$ 494	\$ 988	\$ 105,966	\$ (503)	\$ 149,022

	6 Months or less	6-12 Months	1-2 years	More than 2 years	Other non cash adjustments	Carrying amount
2019						
Accounts payable and accruals	\$ 27,733	\$ -	\$ -	\$ -	\$ -	\$ 27,733
Due to related parties	6,581	-	-	-	-	6,581
Customer deposits	459	460	920	2,899	-	4,738
Long-term borrowings	-	-	-	103,000	(517)	102,483
	\$ 34,773	\$ 460	\$ 920	\$ 105,899	\$ (517)	\$ 141,535

(iii) Market risk:

Market risk primarily refers to the risks of loss that result from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation is exposed to market risks within the investment portfolio. A portion of the portfolio is invested in equities which are subject to market forces. For sensitivity purposes, a 1% change would result in a change of \$28 (2019 - \$18) on the consolidated balance sheet and consolidated statement of income.

(iv) Capital disclosures:

The main objectives of the Corporation when managing capital are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

24. Financial instruments and risk management (continued):

(iv) Capital disclosures (continued):

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2020, shareholder's equity amounts to \$182,593 (2019 - \$183,536) and long-term debt amounts to \$102,497 (2019 - \$102,483).

Through rate-setting, the OEB determines the prudent costs of capital that are recoverable by EWU in relation to the distribution business. These costs of capital are the interest on debt and return on equity. The OEB permits recovery on the basis of a deemed capital structure of 60% debt and 40% equity. The actual capital structure for the Corporation may differ from the OEB deemed structure.

The Corporation has customary covenants typically associated with long-term debt. The Corporation is in compliance with all credit agreement covenants and limitations associated with its long-term debt.

(v) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is subject to variable interest rate cash flow risk with respect to its investments. The Corporation has addressed this risk by entering into fixed interest rates on invested funds and debts.

(vi) Currency risk:

Currency risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates. The Corporation is exposed to currency risk through its foreign currency denominated bank and investment accounts. A weakening or strengthening of the Canadian dollar can affect the cash flows. This risk is monitored by investment managers and the exposure is limited to these accounts. For sensitivity purposes, a 1% change in the Canadian dollar would result in a change of \$17 (2019 - \$11) on the consolidated balance sheet and consolidated statement of income.

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

25. Commitments and contingencies:

Contingencies

General

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

General liability insurance

The Corporation is a member of the Municipal Electrical Association Reciprocal Insurance Exchange ("MEARIE"), a self-insurance plan that pools the liability risks of all the Municipal Electric Utilities in Ontario. Members of MEARIE would be assessed on a pro-rata basis should losses be experienced by MEARIE for the years in which the Corporation was a member.

To December 31, 2020, the Corporation has not been made aware of any additional assessments that have not been accrued.

26. Regulatory assets and liabilities:

Under IFRS, there is no recognition of regulatory assets or liabilities, and therefore, the impacts of these transactions are reflected on the consolidated statement of income, as applicable. As a result of not recognizing rate-regulated assets and liabilities, the effect was to increase (decrease) comprehensive income as follows:

	2020	2019
Gross income:		
Retail settlement variance	\$ 6,975	\$ 206
Expenses:		
Retail cost variance	-	(15)
Property, plant and equipment (MIST Meters)	(3,882)	(188)
PILS	778	392
Future PILS	(2,166)	4,559
Regulatory adjustment for IFRS conversion	3,101	2,062
Disposition and recovery of regulatory balances	(5,276)	(988)
Interest expense (net of interest revenue)	57	(67)
Pole rental	-	702
Late payment charges – COVID	(99)	-
Other	-	(21)
Change in comprehensive income (loss)	\$ (512)	\$ 6,642

WINDSOR CANADA UTILITIES LTD.

Notes to the Consolidated Financial Statements (continued)
(in thousands of Canadian dollars)

Year ended December 31, 2020

27. Comparative figures:

Certain reclassifications have been made to the prior year's consolidated financial statements to enhance comparability with the current year's consolidated financial statements. As a result, certain line items have been amended in the consolidated balance sheet, consolidated statement of income and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow and the related notes to the consolidated financial statements. There was no impact on current or prior year's net income. Comparative figures have been adjusted to conform to the current year's presentation.

28. Effects of COVID-19:

On March 11, 2020, the World Health Organization characterized the COVID-19 outbreak as a pandemic. The impact of the outbreak on the financial results of the Corporation will depend on future developments, including the duration and spread of the outbreak and related advisories and restrictions. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The federal government of Canada has implemented various government programs to respond to the negative economic impacts of COVID-19. The continued development and impact of COVID-19 on the Corporation and the overall economy are highly uncertain and cannot be determined at this time. Management is actively monitoring the situation.

