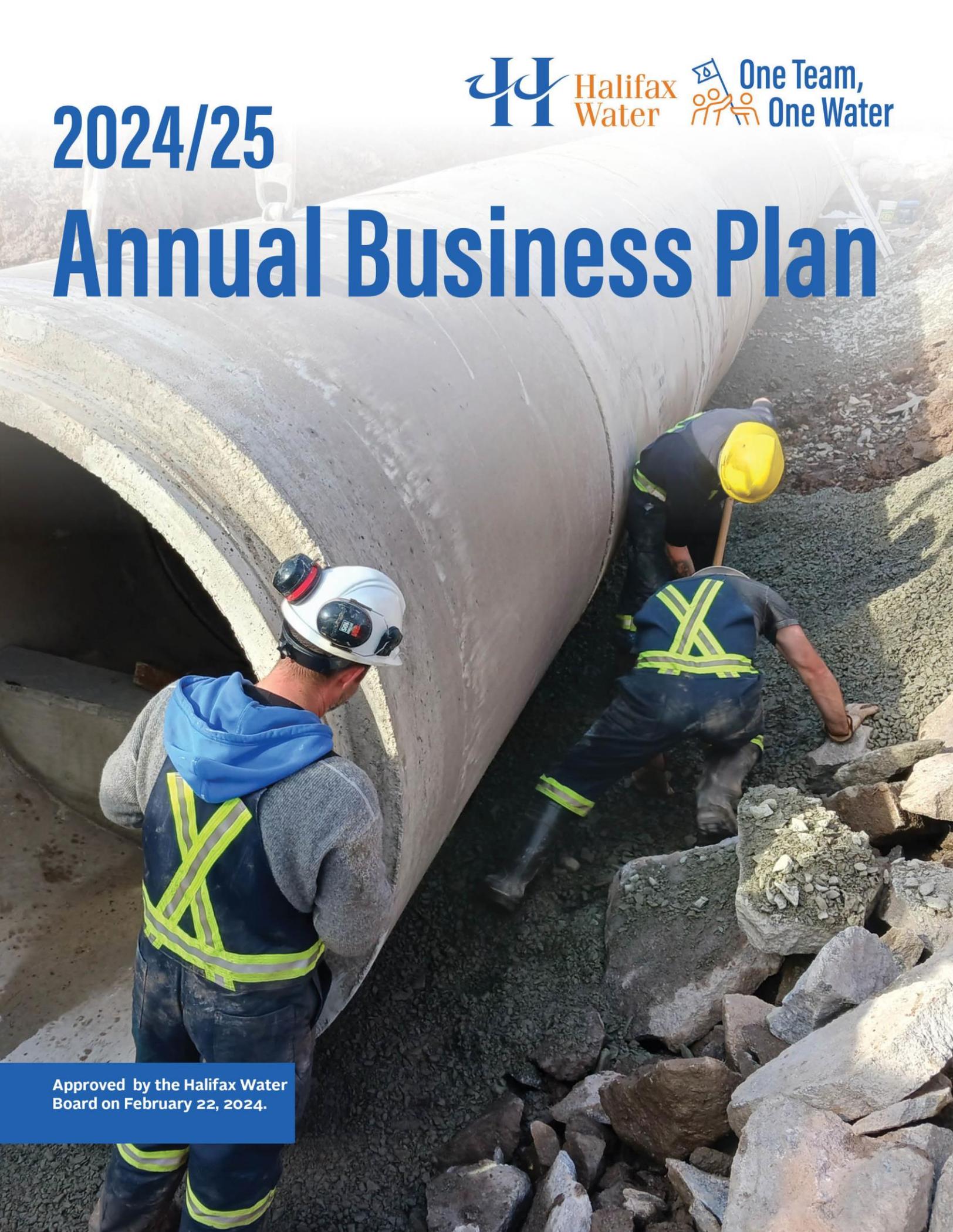


2024/25

# Annual Business Plan

Approved by the Halifax Water Board on February 22, 2024.



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## INTRODUCTION

Halifax Water is an integrated water, wastewater, and stormwater utility that serves more than 106,000 customers and an estimated population of 412,000.

This document outlines the utility's fiscal 2024/25 business plan, which officially begins on April 1, 2024.

For 2024/25, Halifax Water has developed a plan that addresses the challenges of growth, aging infrastructure, and the increasing demands of customers. In addition to addressing these challenges, this plan focuses on ensuring Halifax Water customers continue receiving quality service and that the utility's employees are supported and empowered with the required resources.

## PURPOSE

Our purpose is to supply and safeguard sustainable, high-quality water services.

## VISION

We will provide our customers with high-quality water, wastewater, and stormwater services. Through adoption of best practices, we will place the highest value on public health, customer service, fiscal responsibility, workplace safety and security, asset management, regulatory compliance, and stewardship of the environment. We will fully engage employees through teamwork, innovation, and professional development.

## VALUES

*Relationships* - We nurture relationships with our customers, our team members, and the environment. We are engaged in the neighbourhoods we serve, and we support continual learning across our team.

*Innovation* - We are among the top utilities across the continent and are known on the global stage. We always ask, "How can we improve efficiency, sustainability, creativity and the customer experience?"

*Accountability* - We refuse to cut corners. We check in with our excellence standards regularly and look to one another for support. Safety steers our decision-making. We are driven to make our policies, decisions, and projects as clear as our drinking water.

*Protection* - Halifax Water protects the health and well-being of our population. We exist to guard natural resources, finding ways to sustain our communities and environment.

## EXECUTIVE SUMMARY

In the fiscal year 2024/25, Halifax Water is confidently confronting challenges arising from growth, aging infrastructure, and escalating environmental compliance and protection costs.

Our strategic focus includes addressing growth needs, implementing robust asset management practices, delivering value for our customers, and actively engaging in initiatives to combat climate change and engage the communities we serve.

Internally, we are committed to aligning and enhancing business processes, fortifying modernized and secure systems, empowering our workforce, and supporting them with cost-effective and integrated financial systems. We continue to prioritize health and safety and partnerships with key stakeholders.

Our employees continue to be our most important asset, which is why we are placing even greater emphasis on our people and culture this year. This includes focusing on retention, succession planning, and attracting the technical skills required for a modern-day water utility.

We will update our Integrated Resource Plan to achieve these objectives, targeting completion by December 2025. This comprehensive plan, last updated in 2019, outlines the programs and resources needed over a 30-year period to address compliance, asset renewal, and growth.

With an increased focus on capital infrastructure delivery in the coming year, many of our initiatives are designed for implementation over multiple years. Halifax Water will continually advance plans, studies, and programs to enhance customer service. Initiatives such as the Water Supply Enhancement Program, Water Safety Plan, Wastewater Treatment Facility Study, and Biosolids Project will persist throughout this fiscal year.

Anticipating and adapting to changing environmental conditions and rigorous requirements, we diligently work on implementing our corporate-wide Environmental Management System and a robust Climate Action Plan.

Maintaining a positive financial position is imperative, and accordingly, we will file a General Rate Application with the Nova Scotia Utility and Review Board later this year.

With rapid growth within the municipality, workforce capacity remains a pivotal focus. As increased service demands necessitate adding skilled individuals, our unwavering commitment to our employees' physical and psychological health and safety remains steadfast.

As we embark on this journey, we look forward to a year of resounding success for Halifax Water.

Kenda MacKenzie

Acting General Manager



# One Team, One Water

*Working together with mutual trust, respect and shared values that focus on our commitment to customers, community, and the environment.*



People &  
Culture



Health, Safety,  
Environment &  
Community



Financial &  
Regulatory  
Accountability



Operational  
Excellence

## STRATEGIC INITIATIVES AND PROGRAMS 2024/25

### People & Culture

<b>Enhance the overall Employee Experience</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Foster an inclusive employee workplace culture by creating greater connections to all employees at Halifax Water by the end of Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water can be viewed as an Employer of Choice.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Positively influence our employment brand.</li> <li>Act on employee insights through listening strategies, including annual surveys.</li> <li>Enable internal mobility and focus on career growth and development.</li> </ul>

<b>Develop a Flexible Talent Management Strategy</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Develop and launch a Flexible Talent Management Strategy at Halifax Water by the end of Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Enable Halifax Water to attract, engage, develop, and retain critical skills to ensure a robust pipeline of talent who will effectively deliver business objectives.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Create robust succession plans for all critical roles in the organization.</li> <li>Provide access to development opportunities and career progression.</li> <li>Engage in meaningful and ongoing talent discussions.</li> <li>Facilitate integrated strategic planning between People and culture and business leaders.</li> </ul>

<b>Develop a transition plan to support an integrated service delivery model from the Burnside Operations Centre</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Develop a comprehensive change management plan for mobilization to the new Burnside Operations Centre by the end of Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Ensure smooth and seamless transfer of staff and service delivery to the new location.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Minimize business disruption and ensure service level deliverables continue to be provided.</li> <li>Ensure staff continues to be engaged to support the transition and have buy-in of the integrated service delivery model.</li> </ul>

<b>Continue to strengthen a positive and diverse workplace</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Halifax Water will complete initiatives outlined in the Diversity, Equity, and Inclusion (DEI) framework for 2024/25 and establish performance measures for DEI reporting by the end of Q2.</li> <li>New hires will receive unconscious bias training upon hire.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water is committed to a workforce reflective of the communities in which we live and work. Continuing to enhance our focus on creating a diverse and inclusive workforce that values equity and inclusion will create a culture where respect and civility are valued, and psychological health and safety are promoted.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Stimulate business innovation.</li> <li>Benefit from a broader range of perspectives.</li> <li>Understand our customers better.</li> <li>Improve overall business performance.</li> </ul>

<b>Continue building institutional capacity to meet the challenges of growth in our infrastructure and operations</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Working with key business partners to deliver this initiative to ensure best hiring practices are implemented, and business operations are fully staffed and supported.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water's Integrated Resource Plan (IRP) requires that Halifax Water deliver, on average, a capital budget of \$135 million per year. This is a significant increase over several years ago. Halifax Water needs to be appropriately staffed and resourced to deliver this program.</li> <li>Halifax Water has the appropriate people, processes, and technology to deliver the IRP level of capital spending.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Halifax Water is staffed and resourced appropriately to deliver our programs and services effectively in an integrated and effective manner.</li> </ul>

## Health, Safety, Environment &amp; Community

<b>Continue to develop and enhance Source Water Protection Plans as needed for our watersheds</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Complete plan for Middle Musquodoboit Q1, commence review and update Pockwock Q3 and Bennery Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>The creation of a consolidated document for the current management of the source water, risk assessment and the management and monitoring plan for the protection of the source water provides a holistic view for planning.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Mitigates the risks to the water supply areas.</li> <li>Provides tactics for detection of potential contaminants and impacts.</li> </ul>

<b>Initiate integration of ISO 45001, focusing on continued enhancements to safety culture</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Update and transform the current Occupational Health and Safety Manual to a Safety Management System. Creating a more consistent document for employee use and training by Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>The ISO 45001 standards will guide the program for consistent practices across the utility.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Provides greater clarity and consistency for employees in safe work practices and management of potential risks.</li> <li>Enhances the overall safety culture across the Utility.</li> </ul>

<b>Complete a multi-year roadmap to monitor wastewater system flows.</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>The project will identify existing monitoring and measurement information gaps and develop a plan for addressing them by the end of Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water is required to limit Combined Sewer Overflows (CSOs) and prevent Sanitary Sewer Overflows (SSOs). To do this effectively, Halifax Water will develop better tools and processes to detect and respond to overflow events.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Prioritizes capital plans for addressing CSO/SSO monitoring and response.</li> <li>In the long term, Halifax Water will have a reliable overflow monitoring and reporting system to serve as the basis for potential real-time control and mitigation.</li> </ul>

<b>Deliver the Climate Action Plan and transition to a five-year capital roadmap</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Deliver the Climate Action Plan (CAP) in Q1 and develop a list of projects to incorporate into the capital budgets over the next five years. The CAP implementation strategy will be produced by the end of Q2.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water will align its climate action plan with HRM's HalifACT 2050 climate action plan.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>A Halifax Water climate action plan will maintain alignment with HRM on climate action.</li> <li>It will allow Halifax Water to plan for climate adaptation measures responsibly and sustainably.</li> </ul>

<b>Build a strategic and proactive plan for communications and stakeholder engagement</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Proactively tell our story through expanded communications channels (beyond PSAs), allowing Halifax Water to inform and educate the broader community about the work and mandates of the utility.</li> <li>Increase proactive stakeholder engagement activities in the communities where we live and operate by Q4.</li> <li>Begin streamlining the issue management process to ensure greater integration between Communications, Operations and Customer Care by Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Proactively promote Halifax Water's work in the community and shine a positive light on its contributions beyond everyday work (asset repairs, renewal, extensions, etc.).</li> <li>Helps improve Halifax Water's overall reputation and how all stakeholders perceive the Utility.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Creates greater internal integration to support the One Water vision.</li> <li>Streamlines processes.</li> <li>Enhances overall reputation with all stakeholders and our customers.</li> </ul>

## Financial &amp; Regulatory Accountability

<b>Update the long-term financial models using the latest projections and forecasting to reflect operational and infrastructure requirements</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>• While the next IRP is being developed, use the projected 5-year capital budget to update the long-term financial model by Q2.</li> <li>• Complete the rate application to ensure rates are sufficient to fund the infrastructure and operational requirements for the next 2 to 3 years by Q1, a decision by early Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>• A rate application is required to approve any rate increases required to fund the infrastructure and operational costs.</li> <li>• Long-term financial model allows the estimation of rate increases to customers beyond the next rate application.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>• A rate application will support the utility's financial viability.</li> <li>• Information concerning the expected long-term financial plan will support the operational decisions for the next 5-year period.</li> </ul>

<b>Execute contract and gain funding approval for the Biosolids Processing Facility</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>• Complete the biosolids processing facility procurement and execute a contract with the preferred vendor by Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>• Halifax Water's current biosolids processing facility requires upgrades and will exceed its capacity by 2027. This project will replace the current facility and provide processing capacity for 25 years.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>• In addition to providing a management system for wastewater biosolids, the new facility should provide revenue streams from resource recovery related to soil amendment products and renewable natural gas.</li> </ul>

<b>Continue to enhance our approach to Capital Delivery and Project Management</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Develop a Project Management practice and reporting group in the Capital Delivery Business unit by the end of Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Halifax Water lacks the formal controls and business practices commensurate with a utility delivering \$135 million per year in capital spending. Developing these processes and reporting capabilities is the next phase in the ongoing development of the engineering function at Halifax Water.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Successfully done, this unit will ensure that all projects are well-defined with sufficient reporting and a system for identifying and reporting on budget, scope, schedule, and risk.</li> </ul>

<b>Update Integrated Resource Plan</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Execute a procurement initiative to obtain an IRP consultant to complete the IRP by the end of Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>The Nova Scotia Utility and Review Board requires Halifax Water to have a 30-year plan for Halifax Water infrastructure, planned through the lenses of Asset renewal, growth, and compliance.</li> <li>The IRP is at the core of Halifax Water's long-term spending plan.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>The IRP will ensure that Halifax Water is a sustainable utility from an asset management perspective.</li> </ul>

## Operational Excellence

<b>Commence detailed design for the Cogswell District Project Energy Centre</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Hire a design consultant and commence a detailed design for the Cogswell District Energy System (DES) energy centre by the end of Q1.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>The Energy Centre, located at the Halifax Wastewater Treatment Facilities (WWTF), is a key component of the DES and will transfer ambient heat energy to buildings in the Cogswell District.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Designing the Energy Centre will put Halifax Water in a good position to supply heating and cooling energy to the new building developments in the Cogswell District when the lots are sold, and the buildings are ready for occupancy.</li> </ul>
<b>Continue the Water Supply Enhancement Program</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Maintain progress on upgrading Halifax Waters' two large water supply plants by advancing the clarifier design at the JD Kline plant and pumping station/intake design at the Lake Major plant.</li> <li>Lake Major – Intake and Low Lift Pump Station <ul style="list-style-type: none"> <li>Detailed design procurement by Q1.</li> </ul> </li> <li>JD Kline – Pretreatment and Clarification <ul style="list-style-type: none"> <li>Optimize and finalize preliminary design by Q2.</li> </ul> </li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Both large water supply plants need upgrades to deal with obsolescence issues and changes in source water quality due to lake recovery and climate change.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Successful execution of the Water Supply Enhancement Program (WSEP) will ensure that Halifax Water has resilient and reliable plants that can adapt to changes in source water quality.</li> </ul>
<b>Develop a framework for ongoing maintenance plans meeting defined asset service standards</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Review and confirm operation and maintenance standards by the end of Q1.</li> <li>Generate annual asset maintenance plans for Water and Wastewater Operations by the end of Q2.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Establishes the resources necessary to meet Halifax Water's service standards and informs the operating and capital budgets in future years.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Executed maintenance plans will help to mitigate risks to critical infrastructure.</li> </ul>

<b>Develop Standard Operating Procedures to support regulatory compliance and the Environmental Management System Program</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Develop and implement standard operating procedures (SOPs) for the operation, maintenance, and emergency response of CSO structures by the end of Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Clear SOPs will mitigate or eliminate CSOs and improve/ensure regulatory compliance.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Reduce the frequency and quantity of CSOs.</li> </ul>

<b>Expand Operational Readiness</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Develop an emergency management plan to provide the procedures to follow and resources required to continue services in the wake of an emergency by Q1.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Provides a road map for continuing required operations.</li> <li>Provides support for the overall Business Continuity Plan (BCP) for Halifax Water, which supports staff in overseeing and addressing system upsets or failures of significant equipment for extended periods.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Optimize time of recovery and return to service of critical infrastructure.</li> <li>Enhance customer confidence by maintaining high-quality water service.</li> </ul>

<b>Continue to expand the utilization of systems to improve operational efficiency</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Expand the utilization of the Enterprise Resource Planning (ERP) system, including finalizing the rollout of Connect Vendor to support vendors and Connect Finance to enhance accessibility to the ERP and streamline approval processes by Q3.</li> <li>Review additional functionality and enhancements to the new ERP system, including increased functionality in stores related to inventory tracking and additional dashboards, and integrations with Capital Project Management and Information Systems (CPM&amp;IS) and the Halifax Water Insights Initiatives, which will be assessed by the end of Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Expanding utilization will streamline processes, improve financial accountability, and improve organizational efficiencies.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Improves efficiency, enhances financial accountability, and information to vendors and staff.</li> </ul>

<b>Update enterprise risk management models</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Operationalize the framework to proactively identify, assess, and mitigate risk exposures by Q4.</li> <li>Continue to promote a risk management culture and communication across the organization by Q3.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>A robust risk management system is essential to manage the utility effectively.</li> <li>Effective risk management requires risks to be identified and the development of plans to mitigate the risks.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Improved responses and mitigation strategies to respond to known and emerging risks.</li> </ul>

<b>Strengthen Halifax Water's Cybersecurity</b>	<b>Objectives(s)</b>	<ul style="list-style-type: none"> <li>Complete the implementation of the accepted recommendations from the Municipal Auditor General's Report by the end of Q4.</li> <li>Continue strengthening Halifax Water's cyber security systems and ability to respond to incidents by Q4.</li> </ul>
	<b>Rationale</b>	<ul style="list-style-type: none"> <li>Critical infrastructure, including water, is a known target of cybercriminals, and Halifax Water must be prepared to address and respond to this risk.</li> </ul>
	<b>Impact</b>	<ul style="list-style-type: none"> <li>Halifax Water customers, services, systems, and data are appropriately protected from cyber incidents.</li> </ul>

## BUDGET SUMMARY

### Capital Budget

Halifax Water's 2024/25 capital budget is at a total value of \$152,497,000, and detailed information on the capital budget is provided in Appendix B.

Halifax Water's 2019 IRP identifies a 30-year capital investment plan valued at \$2.7 billion (net present value) and a requirement to achieve an average level of spend of \$135 million per year. In relation to the IRP, the capital budget program focuses on providing the required infrastructure for asset renewal, regulatory compliance, and growth.

The 2024/25 capital budget recognizes Halifax Water's significant challenge in increasing a capital budget from approximately \$30 million ten years ago to an average annual IRP target of \$135 million and, in some years, exceeding \$200 million.

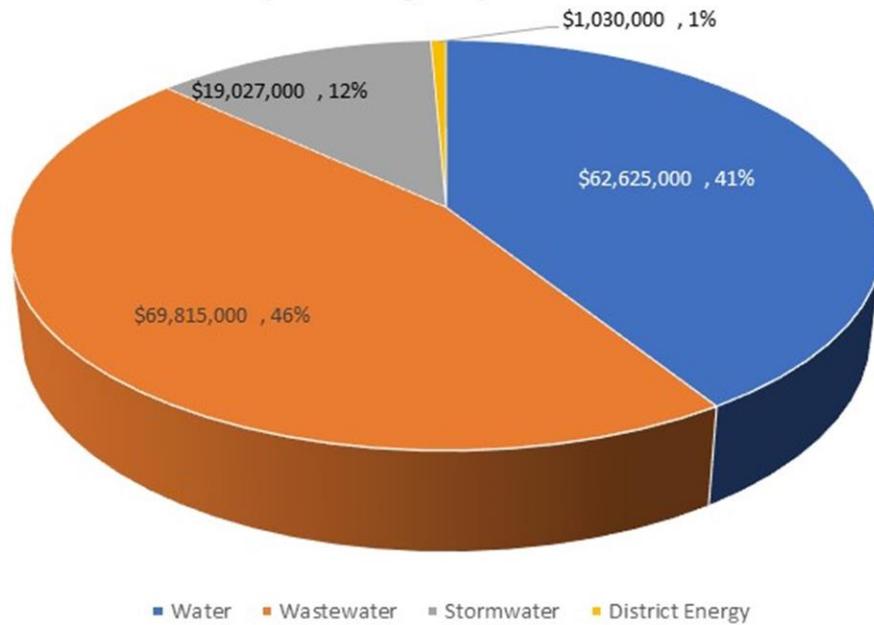
Preparation of the 2023/24 capital budget was founded on the May 2023 re-alignment of the Engineering and Technology Services department and initial steps in creating the capacity to deliver the IRP program. The department realignment provides for improved planning for larger projects and improved project governance to ensure projects align fully with utility objectives throughout the project life cycle. Developing a budget based on our developing workforce and improving business process constraints will help improve our performance tracking to the capital budget targets. At the same time, delivering on our recommended annual IRP capital program target provides improved service sustainability and a reduced risk of service interruption.

The proposed capital budget for 2024/25 is a slight increase from last year's budget of \$146,692,000 as several large strategic projects move closer to the construction stage.

The funding plan for the capital budget comprises the following funding sources; depreciation, debt, regional development charge reserve, Federal/Provincial infrastructure funding, HRM cost sharing and energy rebates.

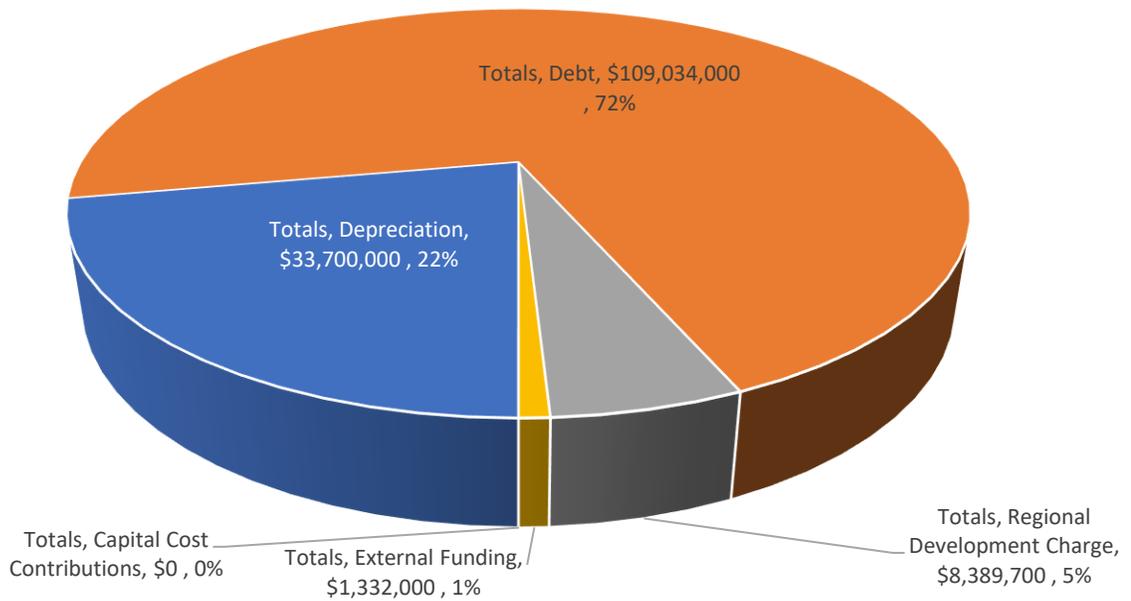
<b>2024/25 Capital Budget Funding Sources</b>					
<b>Funding Source</b>	<b>Water</b>	<b>Wastewater</b>	<b>Stormwater</b>	<b>District Energy</b>	<b>Totals</b>
Depreciation	\$13,293,000	\$17,835,000	\$2,572,000	\$0	<b>\$33,700,000</b>
Debt	\$46,138,500	\$45,451,800	\$16,455,000	\$1,030,000	<b>\$109,075,300</b>
Regional Development Charge	3,183,500	\$5,206,200	\$0	\$0	<b>\$8,389,700</b>
External Funding	\$10,000	\$1,322,000	\$0	\$0	<b>\$1,332,000</b>
Capital Cost Contributions	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>SUB-TOTAL</b>	<b>\$62,625,000</b>	<b>\$69,815,000</b>	<b>\$19,027,000</b>	<b>\$1,030,000</b>	<b>\$152,497,000</b>

2024/25  
Capital Budget by Asset Class



2024/25  
Capital Budget Funding Sources

■ Depreciation ■ Debt ■ Regional Development Charge ■ External Funding ■ Capital Cost Contributions



## Operating Budget

The operating budget for 2024/25 which shows a projected deficit of \$18.7 million. The budget reflects requirements to maintain current levels of service, deliver projects already in progress or approved, and address any changing environmental or regulatory requirements.

### Operating Budget Summary

	Approved Budget 2023/24 '000	Proposed Budget 2024/25 '000	From 2023/24 Budget	
			\$ Change	% Change
<b>Operating revenues</b>	\$ 168,897	\$ 172,059	\$ 3,162	1.87%
<b>Operating expenditures</b>	135,956	150,837	14,881	10.95%
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>32,941</b>	<b>21,222</b>	(11,719)	(35.58%)
<b>Financial and other revenues</b>				
Interest	324	383	59	18.21%
Other	627	615	(12)	(1.91%)
	<b>951</b>	<b>998</b>	47	4.94%
<b>Financial and other expenditures</b>				
Interest on long term debt	7,051	9,375	2,324	32.96%
Repayment on long term debt	22,191	24,077	1,886	8.50%
Amortization of debt discount	202	244	42	20.79%
Dividend/grant in lieu of taxes	6,589	7,031	442	6.71%
Other	175	175	0	0.00%
	<b>36,208</b>	<b>40,902</b>	4,694	12.96%
<b>Loss for the year</b>	<b>\$ (2,316)</b>	<b>\$ (18,682)</b>	<b>\$ (16,366)</b>	<b>706.65%</b>

All three services (water, wastewater, and stormwater) are budgeting a deficit for 2023/24. Halifax Water is planning to file a rate application in 2024/25 for rate increases to offset these deficits.

### Operating Budget Key Assumptions

Halifax Water's main revenue sources are derived from rate-regulated activities, with approximately 76% of water and wastewater revenues coming from consumption/discharge rates and 24% from base charges. The 2024/25 Operating Budget is based on regulated rates and charges approved by the NSUARB effective April 1, 2023. Base charges for both water and wastewater have remained unchanged since April 1, 2016. The water and wastewater consumption rate, stormwater non-residential per square meter, and residential properties rates per tier have not been increased in the operating budget. For 2024/25, a 1% increase in total consumption was used to budget revenue compared to a 0% increase in the prior year. New customer connections are estimated at 680 for water services and 640 for wastewater services based on historical trends.

Halifax's Consumer Price Index is currently at 4.3%. The increase in Halifax Water's operating costs is related to an increase in new positions to support customer growth, regulatory requirements, capital delivery, and infrastructure. Increases in salary rates will be determined through contract negotiations with our two union locals and the non-union compensation policy.

Significant operations have increased in 2024/25. For energy costs, the rate increases are as follows:

Electricity	7.0%
Furnace Oil	20.0%
Natural Gas	15.0%
Chemicals	5.0%

The budgets for depreciation and non-operating expenses, such as debt servicing and the dividend/grant in lieu of taxes paid to the municipality, are developed based on capital spending and additions to utility plants in service.

## PERFORMANCE MEASUREMENT

At the end of the 2024/25 fiscal year, Halifax Water's overall performance will be assessed against the Corporate Balanced Scorecard (CBS). Halifax Water has been utilizing a CBS to measure utility performance since 2001. The Halifax Water Board sets organizational indicators each year and reviews performance results. For 2024/25, these indicators will be revisited and presented to the board for approval.

People & Culture	Health, Safety, Environment & Community
<ul style="list-style-type: none"> <li>• Customer satisfaction about water quality - Percentage from the annual customer survey.</li> <li>• Customer satisfaction with service - Percentage from the customer survey.</li> <li>• Number of arbitrations divided by total number of grievances.</li> <li>• Percentage of jobs filled with internal candidates.</li> <li>• Employee satisfaction survey result.</li> <li>• Average number of days of absenteeism.</li> </ul>	<ul style="list-style-type: none"> <li>• Average score on internal safety audits</li> <li>• NS Labour and Advanced Education compliance – Number of Incidents with written compliance orders.</li> <li>• Lost time accidents -Number of accidents resulting in lost time per 100 employees.</li> <li>• Safe driving - Number of traffic Accidents per 1,000,000 km driven (maximum of 5).</li> <li>• Training - Number of employees trained or re-certified before due date.</li> <li>• Percentage of completed safety talks.</li> <li>• Percentage of public health and environmental regulatory infractions resulting in summary offence tickets.</li> <li>• Percentage of WWTFs complying with NSE approval permits.</li> <li>• Number of ICI properties engagements by Pollution Prevention each year.</li> </ul>
Financial & Regulatory Accountability	Operational Excellence
<ul style="list-style-type: none"> <li>• Operating expense/revenue ratio percentage.</li> <li>• Operating expense/revenue ratio percentage (excluding depreciation).</li> <li>• Annual cost per customer connection – Water.</li> <li>• Annual cost per customer connection – Water (excluding depreciation).</li> <li>• Annual cost per customer connection – Wastewater.</li> <li>• Annual cost per customer connection – Wastewater (excluding depreciation).</li> <li>• Capital budget expenditures - Percentage of budget spent by the end of the fiscal year.</li> </ul>	<ul style="list-style-type: none"> <li>• Adherence with five objectives of the Water Safety Plan for all water systems - Percentage of sites achieving targets.</li> <li>• Bacteriological tests - Percentage free from Total Coliform.</li> <li>• Water service outages - Number of connection hours/1000 customers.</li> <li>• Wastewater service outages – Number of connection hours/1000 customers.</li> <li>• Average speed of answer – Percentage of calls answered within 20 seconds.</li> <li>• Response time for service connection permits – the percentage of formal responses provided from Halifax Water within 3 days or less.</li> </ul>

	<ul style="list-style-type: none"><li>• Response time for subdivisions involving system extensions – the percentage of formal responses from Halifax Water provided within 4 weeks or less review.</li><li>• Water leakage control – target leakage allowance of 160 litres/service connection/day</li><li>• I&amp;I reduction - Number of inspections to identify private property discharge of stormwater into the wastewater system.</li><li>• Peak flow reduction from wet weather management capital projects</li><li>• Percentage of time GIS and Cityworks are available.</li><li>• Energy management kwh/m3 reduction associated with capital projects.</li><li>• Bio-solids residual handling - percentage of sludge meeting bio-solids concentration targets</li></ul>
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Appendix A: 2023/24 Capital Budget

**HALIFAX WATER**  
Capital Budget 2024/25  
Summary

Asset Category	Project Costs
<i>Water - Land -- T O T A L</i>	\$125,000
<i>Water - Transmission -- T O T A L</i>	\$9,042,000
<i>Water - Distribution -- T O T A L</i>	\$19,814,000
<i>Water - Structures -- T O T A L</i>	\$7,465,000
<i>Water - Treatment Facilities -- T O T A L</i>	\$4,197,000
<i>Water - Energy -- T O T A L</i>	\$250,000
<i>Water - Equipment -- T O T A L</i>	\$120,000
<i>Water - Corporate Projects - T O T A L</i>	\$21,612,000
<b>TOTAL - Water</b>	<b>\$62,625,000</b>
<i>Wastewater - Collection System -- T O T A L</i>	\$16,810,000
<i>Wastewater - Forcemains -- T O T A L</i>	\$780,000
<i>Wastewater Structures -- T O T A L</i>	\$15,590,000
<i>Wastewater - Treatment Facility -- T O T A L</i>	\$13,010,000
<i>Wastewater - Energy -- T O T A L</i>	\$800,000
<i>Wastewater - Equipment -- T O T A L</i>	\$575,000
<i>Wastewater - Corporate Projects -- T O T A L</i>	\$22,250,000
<b>TOTAL - Wastewater</b>	<b>\$69,815,000</b>
<i>Stormwater - Pipes -- T O T A L</i>	\$9,752,000
<i>Stormwater - Culverts -- T O T A L</i>	\$4,550,000
<i>Stormwater - Equipment -- T O T A L</i>	\$25,000
<i>Stormwater - Corporate Projects -- T O T A L</i>	\$4,700,000
<b>TOTAL - Stormwater</b>	<b>\$19,027,000</b>
<i>District Energy - TOTAL</i>	\$1,030,000
<b>TOTAL - District Energy</b>	<b>\$1,030,000</b>
<b>GRAND TOTAL</b>	<b>\$152,497,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Water**

Project Number	Project Name	Project Cost
<b><u>Water - Land</u></b>		
3.033	Watershed Land Acquisition	\$125,000
<b><i>Water - Land -- T O T A L</i></b>		<b>\$125,000</b>
<b><u>Water - Transmission</u></b>		
3.554	North End Feeder Replacement	\$300,000
3.553	Peninsula Intermediate Looping - Quinpool Rd to Young St (Newton Ave 2023)	\$3,246,000
3.559	Lucasville Road Twinning Ph 2	\$200,000
3.436	Pockwock Transmission Main Twinning - WSP to Hammonds Plains Rd	\$200,000
3.399	Cogswell Interchange - Water Transmission Main Realignments	\$1,830,000
3.744	Lacewood Drive Looping-Geizer 158 Looping (IMP W02)	\$200,000
3.743	Spruce Hill Transmission Main Replacement	\$200,000
3.748	Bayers Road 27 Transmission Main Replacement Connaught Ave to Windsor	\$200,000
3.752	Quinpool Road Transmission Main Upgrades-Quinn St to Beech St (W6.1 and 6.2)	\$100,000
3.571	Highway 118 Crossing - Shubie Park to Dartmouth Crossing	\$2,361,000
3.761	Highway 118 Crossing - Shubie Park to Dartmouth Crossing	\$65,000
3.045	Highway 118 Crossing - Shubie Park to Dartmouth Crossing	\$10,000
3.261	Highway 118 Crossing - Shubie Park to Dartmouth Crossing	\$10,000
3.232	Highway 118 Crossing - Shubie Park to Dartmouth Crossing	\$120,000
<b><i>Water - Transmission -- T O T A L</i></b>		<b>\$9,042,000</b>
<b><u>Water - Distribution</u></b>		
3.022	Water Distribution - Main Renewal Program	\$10,400,000
3.067	~ Valves Renewals	\$425,000
3.068	~ Hydrants Renewals	\$75,000
3.069	~ Service Lines Renewals	\$75,000
3.390	Lead Service Line Replacement Program	\$2,000,000
3.296	Water Sampling Station Relocation Program	\$10,000
3.696	Tower Road CN Bridge - Watermain Replacement	\$500,000
3.584	Silversands WSP-Linear Main Extension Cow Bay Rd	\$5,859,000
3.688	Little Salmon River Bridge Watermain Replacement	\$40,000
3.746	Young Avenue CN Bridge-Watermain Replacement	\$100,000
3.751	Lake Major Road Culvert Replacement-Watermain Relocation	\$130,000
3.686	Robie Street Upsizing	\$100,000
3.555	Young Street Upsizing	\$100,000
<b><i>Water - Distribution -- T O T A L</i></b>		<b>\$19,814,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Water**

Project Number	Project Name	Project Cost
<b><u>Water - Structures</u></b>		
3.601	Control Chamber Valve Replacement Program	\$125,000
3.263	District Metered Areas (DMA) Program	\$100,000
3.623	Booster Station - Building Envelope - Capital Upgrade Program	\$30,000
3.709	White Hills Meter Chamber Replacement	\$300,000
3.701	Leaman Dr. Emergency Booster Station	\$2,130,000
3.719	Geizer 158 - New Reservoir	\$200,000
3.651	Riverside Drive PRV Chamber Replacement	\$40,000
3.589	Aerotech Booster Station Replacement	\$500,000
3.454	Robie Street Reservoir Rehabilitation	\$150,000
3.747	Aerotech Booster Station-Communication System Upgrades	\$300,000
3.508	Beaver Bank Reservoir Rehabilitation	\$3,100,000
3.749	Bedford South Booster Station - New Pump Control Panel	\$150,000
3.750	Topsail Control Chamber - New Diesel Back-up Generator	\$130,000
3.753	Waverley Road PRV CSE Retrofit	\$110,000
3.712	Mount Edward Reservoir #1 Replacement	\$100,000
<b><i>Water - Structures -- T O T A L</i></b>		<b><i>\$7,465,000</i></b>
<b><u>Water - Treatment Facilities</u></b>		
<b>J D Kline Water Supply Plant:</b>		
3.608	JD Kline WSP - Clearwell, reservoir and storage - WSEP JDK-800.25	\$800,000
<b>Lake Major Water Supply Plant:</b>		
3.162	Lake Major WSP - Butterfly Valve Replacement Program	\$425,000
3.557	Lake Major WSP - Sludge Drying Beds Improvements	\$350,000
3.755	Lake Major WSP - Low Lift Access Road Gate Upgrade	\$70,000
3.618	Lake Major WSP - Clarification/Pretreatment - WSEP MAJ 800.15	\$550,000
3.619	Lake Major WSP - Intake/low lift Pump Station - WSEP MAJ-800.20	\$519,000
3.621	Lake Major WSP - Filter upgrades - WESP MAJ-800.45	\$382,000
<b>Bennery Lake Water Supply Plant:</b>		
3.756	Bennery Lake WSP - New High Lift Pump	\$225,000
3.757	Bennery Lake WSP - Replace Process Residual Sludge Pumps	\$40,000
<b>Non-Urban Core WSP</b>		
3.731	Small Systems - Filter Column Replacement Program	\$10,000
3.754	Water Supply Plants Asset Renewal and Emergency Repairs	\$300,000
3.690	WSP Plants - Instrumentation and Controls Equipment Program	\$130,000
3.691	Pump and Equipment Overhauls Program for WSPs	\$250,000
3.759	Tomahawk Outlet Bridge	\$64,000
3.760	Bennery Lake Road Culvert	\$32,000
3.740	Receiving Environment Assessment - Bomont	\$50,000
<b><i>Water - Treatment Facilities -- T O T A L</i></b>		<b><i>\$4,197,000</i></b>
<b><u>Water - Energy</u></b>		
3.635	Energy Management Capital Program (Water)	\$150,000
3.107	Chamber HVAC Retro-Commissioning Program	\$100,000
<b><i>Water - Energy -- T O T A L</i></b>		<b><i>\$250,000</i></b>
<b><u>Water - Equipment</u></b>		
3.101	Miscellaneous Equipment Replacement (Water)	\$60,000
3.738	Water Quality Lab Infrastructure	\$60,000
<b><i>Water - Equipment -- T O T A L</i></b>		<b><i>\$120,000</i></b>
<b><i>Water - Corporate Projects - T O T A L</i></b>		<b><i>\$21,612,000</i></b>
<b><i>GRAND TOTAL - WATER</i></b>		<b><i>\$62,625,000</i></b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Wastewater**

Project Number	Project Name	Project Cost
<b><u>Wastewater - Collection System</u></b>		
2.168	Wastewater System - Trenchless Rehabilitation Program	\$3,000,000
2.504	Collection System Asset Renewal Program	\$150,000
2.357	Manhole Renewals WW	\$60,000
2.358	Lateral Replacements WW (non-tree roots)	\$1,800,000
2.563	Lateral Replacements WW (tree roots)	\$600,000
2.223	Wet Weather Management Program	\$400,000
2.052	Integrated Wastewater Projects - Program	\$1,600,000
2.692	Cogswell Redevelopment - Sewer Relocation	\$1,840,000
2.356	Auburn Avenue PS Elimination	\$60,000
2.1072	Sewer Separation Program	\$200,000
2.836	Wyse Road Separation Phase 1	\$100,000
2.837	Wyse Road Separation Phase 2	\$100,000
2.674	SSP - South Park Street - Sewer Separation	\$4,400,000
2.679	College Street - Sewer Separation	\$250,000
2.107	SSP - Spring Garden Road Pocket	\$250,000
2.982	Young Street Pocket - Sewer Separation - Route to Harbour	\$800,000
2.672	Young Street - Sewer Separation	\$100,000
2.678	Robie Street - Sewer Separation	\$250,000
2.942	North Preston Lateral Connection Rehabilitation	\$100,000
2.830	Eastern Passage RDII Reduction Program FMZ24 - Lake Loon	\$100,000
2.832	Mill Cove RDII Reduction Program FMZ07 & FMZ40 - Lower Sackville	\$500,000
2.833	Mill Cove RDII Reduction Program FMZ10 - Bedford Common	\$50,000
2.834	Ellenvale Area RDII Reduction Program FMZ27	\$100,000
<b><u>Wastewater - Collection System -- T O T A L</u></b>		<b>\$16,810,000</b>
<b><u>Wastewater - Forcemains</u></b>		
2.1117	ARV Replacement – Eastern Passage Gravity Pressure Sewer	\$130,000
2.608	New Timberlea Pump Station Forcemain System	\$600,000
2.578	Armdale Pumping Station Forcemain Replacement	\$50,000
<b><u>Wastewater - Forcemains -- T O T A L</u></b>		<b>\$780,000</b>
<b><u>Wastewater - Structures</u></b>		
2.420	Emergency Pumping Station Pump Replacements	\$300,000
2.442	Wastewater Pumping Station Component Replacement Program - West Region	\$200,000
2.443	Wastewater Pumping Station Component Replacement Program - East Region	\$200,000
2.444	Wastewater Pumping Station Component Replacement Program - Central Region	\$200,000
2.108	Pump Station Quick Connects for Generators and Bypass pumps	\$320,000
2.476	Wastewater Pumping Station Asset Renewal Program	\$300,000
2.1093	Fish Hatchery PS Upgrade	\$815,000
2.92	Herring Cove Pumping Station - Pump Replacements	\$2,900,000
2.111	Farmers PS Temporary Rebuild	\$1,140,000
2.1115	Fall Protection Retro-Fit - Pumping Stations	\$35,000
2.1008	Roach's Pond Pumping Station - New Screen	\$200,000
2.978	Majestic Avenue PS Upgrades	\$200,000
2.1030	Duffus Street Pumping Station - Mechanical & Electrical Upgrades	\$1,500,000
2.740	Duffus Pumping Station Replacement and CSO Modification	\$200,000
2.1032	Pier A Pumping Station - Mechanical Upgrades	\$100,000
2.654	PS Control Panel / Electrical Replacement	\$860,000
2.005	Autoport Pleasant Street PS Replacement	\$5,900,000
2.609	New Timberlea Pumping Station	\$220,000
<b><u>Wastewater Structures -- T O T A L</u></b>		<b>\$15,590,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Wastewater**

Project Number	Project Name	Project Cost
<b><u>Wastewater - Treatment Facility</u></b>		
2.056	Plant Optimization Program	\$150,000
2.522	Emergency Wastewater Treatment Facility equipment replacements	\$600,000
2.668	Wastewater Treatment Research Program Pilot Plant	\$250,000
2.699	HHSPs - Outfall Inspection Program	\$35,000
2.108	WWTF - Bay Door Replacements	\$175,000
2.1078	HHSP WWTFs - Raw Water Pump Variable Frequency Drive (VFD's)	\$230,000
2.1079	HHSP WWTFs - Polymer Batching System Replacement - Phase 1 Scoping	\$60,000
2.1080	HHSP WWTFs - Air Quality Improvement Project (Internal) - Phase 1 Scoping	\$60,000
2.1081	HHSPs - Critical Spares Program 2024-2028	\$250,000
<b>Halifax WWTF</b>		
2.506	Halifax WWTF - Asset Renewal Program	\$775,000
2.765	Halifax WWTF - Raw Water Pump Refurbishment	\$65,000
2.1083	Halifax WWTF - Female Locker Room	\$50,000
2.1084	Halifax WWTF - Wetwell Hatch Modifications	\$90,000
2.1085	Halifax WWTF - Grit Discharge Line Replacement	\$100,000
2.1086	Halifax WWTF - Coarse Climber Screen Replacement & Main Gate Isolation – Phase 1 Scoping	\$60,000
<b>Dartmouth WWTF</b>		
2.507	Dartmouth WWTF - Asset Renewal Program	\$150,000
2.790	Dartmouth WWTF - Fournier Press - Sludge Dewatering Upgrade	\$1,200,000
2.8760	Dartmouth WWTF - Raw Water Pump Refurbishment Program	\$65,000
2.7880	Dartmouth WWTF - UV Disinfection System - New Modules and PLC Upgrade	\$5,000,000
2.1087	Dartmouth WWTF - Outfall Liner and Multiport Diffuser Repair	\$150,000
2.1088	Dartmouth WWTF - Odour Control Damper Replacement	\$200,000
2.1089	Dartmouth WWTF - Forklift Replacement	\$60,000
<b>Herring Cove WWTF</b>		
2.5080	Herring Cove WWTF - Asset Renewal Program	\$150,000
2.1090	Herring Cove WWTF - Hatchway (Hoistway) Cover Replacement	\$75,000
2.1091	Herring Cove WWTF - Boiler room mechanical ventilation and Basement Electrical (Phase 1 Scoping)	\$25,000
<b>Mill Cove WWTF</b>		
2.505	Mill Cove WWTF - Asset Renewal Program	\$100,000
2.903	Mill Cove WWTF - Dewatering - Centrifuge Rebuild Program	\$35,000
2.110	Mill Cove WWTF - UV AC Unit Replacements	\$25,000
2.1100	Mill Cove WWTF - Replacement Gas Booster	\$45,000
2.1101	Mill Cove WWTF - Wet Well Wizards (x2)	\$70,000
<b>Eastern Passage WWTF</b>		
2.907	Eastern Passage WWTF - Centrifuge Rebuild	\$50,000
2.908	Eastern Passage WWTF - UV Bank Rebuilds	\$15,000
2.1095	Eastern Passage WWTF - Primary Clarifier Refurbishment Program	\$160,000
2.1096	Eastern Passage WWTF - Return Activated Sludge Pump Refurbishment Program	\$50,000
2.1097	Eastern Passage WWTF - Headworks Duct Replacement	\$80,000
2.1098	Eastern Passage WWTF - Scum Pump Refurbishment Program	\$20,000

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Wastewater**

Project Number	Project Name	Project Cost
<b>Aerotech WWTF</b>		
2.667	Aerotech WWTF - Asset Renewal Program	\$75,000
2.1102	Aerotech WWTF - Caustic Tank Cleaning	\$20,000
2.1103	Aerotech WWTF - Lagoon Cleaning and Rehabilitation	\$1,500,000
2.1104	Aerotech WWTF - Central Hatch for Sludge Tank	\$50,000
<b>Timberlea WWTF</b>		
2.509	Timberlea WWTF - Asset Renewal Program	\$50,000
2.1092	Timberlea WWTF - Grit Gearbox Elevated Walkway	\$50,000
2.1094	Timberlea WWTF - Female Locker Room	\$30,000
<b>Community WWTFs</b>		
2.1107	Fall River WWTF - Replace EQ Pumps	\$45,000
2.1110	Fall River WWTF - Blower Replacement	\$120,000
2.1113	Fall River WWTF - Ventilation and Lighting Upgrade	\$25,000
2.1108	Middle Musquodoboit WWTF – Replace WWTF LS Control Panel and SCADA Panel	\$90,000
2.1109	Frame WWTF - Generator with ATS	\$70,000
2.1111	North Preston WWTF - Replace Factory Talks with VTScada- Phase 1 Scoping	\$15,000
<b>Biosolids Processing Facility</b>		
2.126	Biosolids Processing Facility - Asset Renewal Program	\$50,000
2.919	Biosolids Processing Facility - Gas Sensor Upgrade Program	\$15,000
2.1105	Biosolids Processing Facility - Stairs in LBB Pit - Eliminate Confined Space	\$30,000
2.111	Biosolids Processing Facility - Bio-Filter Media Replacement	\$100,000
<b>Wastewater - Treatment Facility -- T O T A L</b>		<b>\$13,010,000</b>
<b>Wastewater - Energy</b>		
2.362	Energy Management Capital Program (Wastewater)	\$500,000
2.491	Pump Station HVAC Retro-Commissioning Program	\$200,000
2.1075	Wastewater Heat Recovery Study	\$100,000
<b>Wastewater - Energy -- T O T A L</b>		<b>\$800,000</b>
<b>Wastewater - Equipment</b>		
2.161	I&I Reduction (SIR) Program Flow Meters and Related Equipment	\$25,000
2.1038	FOG software	\$50,000
2.1041	Two new fridge / sampling units	\$10,000
2.451	Miscellaneous Equipment Replacement	\$120,000
2.1021	Trenchless Lining Equipment	\$320,000
2.1116	Odour Control Dosing Systems - Central Operations	\$50,000
<b>Wastewater - Equipment -- T O T A L</b>		<b>\$575,000</b>
<b>Wastewater - Corporate Projects -- T O T A L</b>		<b>\$22,250,000</b>
<b>GRAND TOTAL - WASTEWATER</b>		<b>\$69,815,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Stormwater**

Project Number	Project Name	Project Cost
<b><u>Stormwater - Pipes</u></b>		
1.108	Stormwater Pipe Asset Renewal Program	\$300,000
1.038	Integrated Stormwater Projects - Program	\$1,200,000
1.102	Manhole Renewals SW Program	\$21,000
1.103	Catchbasin Renewals SW Program	\$63,000
1.135	Lateral Replacements SW Program	\$18,000
1.145	Sullivan's Pond Storm Sewer System Replacement - Phase 2 Irishtown Rd to Harbour	\$6,220,000
1.188	Cogswell Redevelopment - SW Sewer Relocation	\$1,930,000
<b><u>Stormwater - Pipes -- T O T A L</u></b>		<b>\$9,752,000</b>
<b><u>Stormwater - Culverts/Ditches</u></b>		
1.104	Driveway Culvert Replacement Program	\$1,200,000
1.279	Cross Culvert Replacement Program - Field Investigation & Operations Replacements	\$100,000
1.288	Cross Road Culvert Replacement Program - Engineering Design	\$100,000
1.109	Cross Culvert Renewal Program	\$200,000
1.109	154 Kaye Street	\$350,000
1.109	6771 St, Margaret's bay Road	\$375,000
1.109	121 Jamieson Drive	\$400,000
1.109	Hammonds Plains Road (Stillwater Lake area)	\$450,000
1.109	139 Ferguson's Cove Road	\$200,000
1.109	26 Foster Avenue	\$200,000
1.109	103 Southwood	\$75,000
1.109	2884 Lawrencetown Road	\$400,000
1.109	519 Old Sackville Road	\$300,000
1.109	23 Old Post Road	\$200,000
<b><u>Stormwater - Culverts/Ditches -- T O T A L</u></b>		<b>\$4,550,000</b>
<b><u>Stormwater - Equipment</u></b>		
1.318	Excavator Mulching Head	\$25,000
<b><u>Stormwater - Equipment -- T O T A L</u></b>		<b>\$25,000</b>
<b><u>Stormwater - Corporate Projects -- T O T A L</u></b>		<b>\$4,700,000</b>
<b><u>GRAND TOTAL - STORMWATER</u></b>		<b>\$19,027,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Corporate Projects**

Project Number	Project Name	Project Cost
<b>Corporate - Information Technology</b>		
4.314	Organizational PMO Strategy and Governance	\$400,000
4.105	Cityworks Upgrade	\$50,000
4.206	Cayenta Upgrades	\$200,000
4.255	General IT System Upgrades	\$500,000
4.208	DA3 – Program & Project	\$800,000
4.218	EE- ITSM Process	\$500,000
4.219	EE - Electrical Safety Program	\$100,000
4.222	Case Management	\$350,000
4.228	Enterprise Architecture	\$250,000
4.231	Detection Equipment SCADA Wan Update	\$150,000
4.232	Strategic Planning Business Cases	\$150,000
4.239	TS Work Tracking	\$150,000
4.261	Electrical Planned Maintenance Program	\$450,000
4.265	EMIS Replacement Project	\$50,000
4.280	CCFN version 5.5 with ISM	\$350,000
4.283	Digital Twin - Virtual Facility Tours	\$100,000
4.262	Enterprise Risk Management	\$400,000
4.263	Business Continuity Management	\$400,000
4.288	PASS Project	\$500,000
4.289	E-Signature Project	\$300,000
4.205	Workspaces	\$960,000
4.284	IS Equipment Replacement	\$700,000
4.295	CAD/BIM	\$75,000
4.294	Cityworks Strategy & Governance Model	\$100,000
4.309	Pollution Prevention Inspection	\$400,000
4.311	Technical Services Capital Tools	\$300,000
4.303	Teams Records	\$960,000
4.264	Cradlepoint deployment project	\$250,000
4.281	Contract Management and Vendor Performance	\$250,000
4.286	Data Quality Tool and Process	\$670,000
4.287	VIP- Recruitment	\$500,000
4.259	Health and Safety	\$50,000
4.012	Network Upgrades	\$280,000
4.195	New Service Account Compliance Program	\$500,000
3.602	Control Chamber - Electrical Panel Replacement Program	\$60,000
4.189	Central Spread Spectrum Radio Network Replacement Program	\$150,000
4.191	ICS Cyber-Security Enhancements	\$100,000
4.192	PI System Enhancements	\$250,000
4.193	AMI Communications Upgrade	\$150,000
4.19	SCADA Equipment Renewals	\$200,000
4.306	SCADA Alarm Management	\$50,000
4.040	GIS Data Program	\$150,000
4.105	GIS/Cityworks Upgrade Program	\$50,000
4.01	Service Gap Project	\$250,000
4.293	Ditch Inventory Build	\$100,000
4.302	Aerial Imagery Acquisition	\$250,000
4.301	CAD/Electrical Drawing	\$25,000
4.297	Emergency Management Office	\$50,000
4.038	GIS Hardware/Software Program	\$50,000

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Corporate Projects**

Project Number	Project Name	Project Cost
4.296	Get the Lead Out Program (EI Support)	\$100,000
4.299	PUCA Hot Sheet Integration	\$25,000
4.300	ArcMap to ArcGIS Pro Migration	\$50,000
4.313	Standardize P&ID's for Vertical Assets	\$100,000
<b>Corporate - Information Technology -- T O T A L</b>		<b>\$14,305,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**Corporate Projects**

Project Number	Project Name	Project Cost
<b><u>Corporate - Asset Management</u></b>		
4.020	Asset Management Program Development	\$100,000
2.872	Wastewater Sewer Condition Assessment	\$505,000
1.254	Storm Sewer Condition Assessment	\$215,000
2.043	Corporate Flow Monitoring Program	\$2,600,000
4.158	Condition Assessment Program	\$500,000
4.163	Annual Asset Management Plan Update	\$20,000
4.165	Asset Management Awareness Program	\$20,000
4.113	Climate Change Management Program	\$200,000
4.17	Integrated Resource Plan Update	\$1,250,000
4.308	Growth Servicing Strategy	\$125,000
2.1074	SSO and CSO Management Program	\$257,000
3.644	Water Efficiency Strategy	\$80,000
<b>Corporate - Asset Management -- T O T A L</b>		<b>\$5,872,000</b>
<b><u>Corporate - Facility</u></b>		
4.187	Burnside Operations Centre	\$23,300,000
4.077	Building Capital Improvements	\$600,000
3.221	Energy Management Capital Program	\$150,000
4.304	Solar PV Facility Assessment Study	\$50,000
4.009	Security Upgrade Program	\$240,000
<b>Corporate - Facility -- T O T A L</b>		<b>\$24,340,000</b>
<b><u>Corporate - SCADA &amp; Other Equipment</u></b>		
4.154	Customer Meters - New and Replacement	\$400,000
<b>Corporate - SCADA &amp; Other Equipment -- T O T A L</b>		<b>\$400,000</b>
<b><u>Corporate - Fleet</u></b>		
4.006	Fleet Upgrade Program Stormwater	\$539,000
4.006	Fleet Upgrade Program Wastewater	\$2,156,000
4.007	Fleet Upgrade Program Water	\$950,000
<b>Corporate - Fleet -- T O T A L</b>		<b>\$3,645,000</b>
<b>GRAND TOTAL - Corporate Projects</b>		<b>\$48,562,000</b>
<b>ALLOCATION BREAKDOWN:</b>		
Water - Corporate Projects - T O T A L		\$21,612,000
Wastewater - Corporate Projects -- T O T A L		\$22,250,000
Stormwater - Corporate Projects -- T O T A L		\$4,700,000
<b>GRAND TOTAL - Corporate Projects</b>		<b>\$48,562,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**  
**District Energy**

Project Number	Project Name	Project Cost
<b><u>District Energy</u></b>		
4.307	Cogswell DES - Cogswell Street Extension	\$1,000,000
4.312	District Energy Data Model	\$30,000
<b>Stormwater - District Energy -- T O T A L</b>		<b>\$1,030,000</b>
<b>GRAND TOTAL - STORMWATER</b>		<b>\$1,030,000</b>

**HALIFAX WATER**  
**Capital Budget 2024/25**

**Summary of Routine Capital Expenditures included within Capital Budget**

<b>Project Number</b>	<b>Project Name</b>	<b>Project Cost</b>	<b>Asset Class</b>
<b><u>Routine Capital Projects</u></b>			
3.067	Valves Renewals	\$425,000	Water
3.068	Hydrants Renewals	\$75,000	Water
3.069	Service Lines Renewals	\$75,000	Water
3.39	Lead Service Line Replacement Program	\$2,000,000	Water
3.101	Miscellaneous Equipment Replacement (Water)	\$60,000	Water
4.007	Fleet Upgrade Program (Water)	\$950,000	Water
2.357	Manhole Renewals WW	\$60,000	Wastewater
2.358	Lateral Replacements WW (non-tree roots)	\$1,800,000	Wastewater
2.563	Lateral Replacements WW (tree roots)	\$600,000	Wastewater
2.451	Miscellaneous Equipment Replacement (WW)	\$320,000	Wastewater
4.006	Fleet Upgrade Program (WW)	\$2,156,000	Wastewater
1.102	Manhole Renewals SW Program	\$21,000	Stormwater
1.103	Catchbasin Renewals SW Program	\$63,000	Stormwater
1.135	Lateral Replacements SW Program	\$18,000	Stormwater
4.006	Fleet Upgrade Program (SW)	\$539,000	Stormwater
4.154	Customer Meters - New and Replacement	\$400,000	Corporate
4.012	Network Upgrades	\$280,000	Corporate
<b>GRAND TOTAL - Routine Capital Projects</b>		<b>\$9,842,000</b>	

## Appendix B: 2024/25 Operating Budget

**HALIFAX WATER  
UNAUDITED STATEMENT OF EARNINGS - ALL SERVICES - NSUARB**

	<b>APR 1/23 MAR 31/24 BUDGET '000</b>	<b>APR 1/24 MAR 31/25 BUDGET '000</b>
<b>Operating revenues</b>		
Water	\$ 53,669	\$ 54,867
Wastewater	87,450	89,367
Stormwater site generated service	8,873	8,865
Stormwater right of way service	6,515	6,515
Fire protection (public and private)	9,735	9,779
Other services and fees	1,472	1,546
Late payment and other connection fees	627	644
Miscellaneous	556	476
	<b>168,897</b>	<b>172,059</b>
<b>Operating expenditures</b>		
Water supply and treatment	12,621	13,661
Water transmission and distribution	13,203	14,060
Wastewater collection	13,554	14,346
Stormwater collection	5,382	5,816
Wastewater treatment	25,065	26,353
Engineering and technology services	14,009	17,757
Regulatory services	5,060	5,922
Customer services	4,526	4,507
Corporate services	3,655	3,743
Administration services	6,197	10,267
Depreciation and amortization	32,684	34,405
	<b>135,956</b>	<b>150,837</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>32,941</b>	<b>21,222</b>
<b>Financial and other revenues</b>		
Interest	324	383
Other	627	615
	<b>951</b>	<b>998</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	7,051	9,375
Repayment on long term debt	22,191	24,077
Amortization of debt discount	202	244
Dividend/grant in lieu of taxes	6,589	7,031
Other	175	175
	<b>36,208</b>	<b>40,902</b>
<b>Loss for the year</b>	<b>\$ (2,316)</b>	<b>\$ (18,682)</b>

**HALIFAX WATER  
UNAUDITED STATEMENT OF EARNINGS - WATER - NSUARB**

	<b>APR 1/23 MAR 31/24 BUDGET '000</b>	<b>APR 1/24 MAR 31/25 BUDGET '000</b>
<b>Operating revenues</b>		
Water	\$ 53,669	\$ 54,867
Public fire protection	8,083	8,083
Private fire protection	1,652	1,696
Bulk water stations	338	364
Late payment and other connection fees	252	248
Miscellaneous	258	222
	<b>64,252</b>	<b>65,480</b>
<b>Operating expenditures</b>		
Water supply and treatment	12,621	13,661
Water transmission and distribution	13,203	14,060
Engineering and technology services	4,703	6,412
Regulatory services	1,521	1,647
Customer services	2,308	2,299
Corporate services	1,864	1,909
Administration services	3,160	5,236
Depreciation and amortization	12,594	12,959
	<b>51,974</b>	<b>58,183</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>12,278</b>	<b>7,297</b>
<b>Financial and other revenues</b>		
Interest	259	372
Other	465	458
	<b>724</b>	<b>830</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	2,767	4,109
Repayment on long term debt	6,077	6,997
Amortization of debt discount	79	112
Dividend/grant in lieu of taxes	5,664	6,005
Other	130	130
	<b>14,717</b>	<b>17,353</b>
<b>Loss for the year</b>	<b>\$ (1,715)</b>	<b>\$ (9,226)</b>

**HALIFAX WATER  
UNAUDITED STATEMENT OF EARNINGS - WASTEWATER - NSUARB**

	<b>APR 1/23 MAR 31/24 BUDGET '000</b>	<b>APR 1/24 MAR 31/25 BUDGET '000</b>
<b>Operating revenues</b>		
Wastewater	\$ 87,450	89,367
Leachate and other contract revenue	494	507
Septage tipping fees	535	570
Airplane effluent	105	105
Late payment and other connection fees	234	216
Miscellaneous	223	187
	<b>89,041</b>	<b>90,952</b>
<b>Operating expenditures</b>		
Wastewater collection	13,554	14,346
Wastewater treatment	25,065	26,353
Engineering and technology services	7,096	9,335
Regulatory services	1,733	1,889
Customer services	2,029	2,029
Corporate services	1,612	1,651
Administration services	2,733	4,528
Depreciation and amortization	17,310	18,396
	<b>71,132</b>	<b>78,527</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>17,909</b>	<b>12,425</b>
<b>Financial and other revenues</b>		
Interest	104	139
Other	162	157
	<b>266</b>	<b>296</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	3,385	4,122
Repayment on long term debt	13,790	14,587
Amortization of debt discount	99	104
Dividend/grant in lieu of taxes	786	844
Other	45	45
	<b>18,105</b>	<b>19,702</b>
<b>Earnings (loss) for the year</b>	<b>\$ 70</b>	<b>\$ (6,981)</b>

**HALIFAX WATER  
UNAUDITED STATEMENT OF EARNINGS - STORMWATER - NSUARB**

	<b>APR 1/23 MAR 31/24 BUDGET '000</b>	<b>APR 1/24 MAR 31/25 BUDGET '000</b>
<b>Operating revenues</b>		
Stormwater site generated service	\$ 8,873	\$ 8,865
Stormwater right of way service	6,515	6,515
Late payment and other connection fees	141	180
Miscellaneous	75	67
	<b>15,604</b>	<b>15,627</b>
<b>Operating expenditures</b>		
Stormwater collection	5,382	5,816
Engineering and technology services	2,210	2,010
Regulatory services	1,806	2,386
Customer services	189	179
Corporate services	179	183
Administration services	304	503
Depreciation and amortization	2,780	3,050
	<b>12,850</b>	<b>14,127</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>2,754</b>	<b>1,500</b>
<b>Financial and other revenues</b>		
Interest	(39)	(128)
	<b>(39)</b>	<b>(128)</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	899	1,144
Repayment on long term debt	2,324	2,493
Amortization of debt discount	24	28
Dividend/grant in lieu of taxes	139	182
	<b>3,386</b>	<b>3,847</b>
<b>Loss for the year</b>	<b>\$ (671)</b>	<b>\$ (2,475)</b>

**HALIFAX WATER  
UNAUDITED STATEMENT OF EARNINGS - REGULATED AND UNREGULATED ACTIVITIES  
NSUARB**

	<b>APR 1/23 MAR 31/24 BUDGET '000</b>	<b>APR 1/24 MAR 31/25 BUDGET '000</b>
<b>REGULATED ACTIVITIES</b>		
<b>Operating revenues</b>		
Water	\$ 53,669	\$ 54,867
Wastewater	87,450	89,367
Stormwater	15,388	15,380
Public fire protection	8,083	8,083
Private fire protection	1,652	1,696
Miscellaneous	1,521	1,484
	<b>167,763</b>	<b>170,877</b>
<b>Operating expenditures</b>		
Water supply and treatment	12,621	13,661
Water transmission and distribution	13,203	14,060
Wastewater collection	13,473	14,284
Stormwater collection	5,382	5,816
Wastewater treatment	24,288	25,556
Engineering and technology services	14,009	17,757
Regulatory services	5,060	5,922
Customer services	4,486	4,467
Corporate services	3,642	3,730
Administration services	6,067	10,130
Depreciation and amortization	32,650	34,371
	<b>134,881</b>	<b>149,754</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>32,882</b>	<b>21,123</b>
<b>Financial and other revenues</b>		
Interest	324	383
Other	37	36
	<b>361</b>	<b>419</b>
<b>Financial and other expenditures</b>		
Interest on long term debt	7,051	9,375
Repayment on long term debt	22,191	24,077
Amortization of debt discount	202	244
Dividend/grant in lieu of taxes	6,589	7,031
	<b>36,033</b>	<b>40,727</b>
<b>Loss for the year - Regulated</b>	<b>\$ (2,790)</b>	<b>\$ (19,185)</b>

**HALIFAX WATER**  
**UNAUDITED STATEMENT OF EARNINGS - REGULATED AND UNREGULATED ACTIVITIES**  
**NSUARB**

	<b>APR 1/23</b>	<b>APR 1/24</b>
	<b>MAR 31/24</b>	<b>MAR 31/25</b>
	<b>BUDGET</b>	<b>BUDGET</b>
	<b>'000</b>	<b>'000</b>
<b>UNREGULATED ACTIVITIES</b>		
<b>Operating revenues</b>		
Septage tipping fees	\$ 535	\$ 570
Leachate and other contract revenue	494	507
Airplane effluent	105	105
Miscellaneous	0	0
	<b>1,134</b>	<b>1,182</b>
<b>Operating expenditures</b>		
Water supply and treatment	0	0
Wastewater treatment	777	797
Wastewater collection	81	62
Sponsorships and donations	73	80
Corporate services	13	13
Administration services	97	97
Depreciation and amortization	34	34
	<b>1,075</b>	<b>1,083</b>
<b>Earnings from operations before financial and other revenues and expenditures</b>	<b>59</b>	<b>99</b>
<b>Financial and other revenues</b>		
Other - leases and rentals	365	360
Other - energy projects	225	219
	<b>590</b>	<b>579</b>
<b>Financial and other expenditures</b>		
Other	175	175
	<b>175</b>	<b>175</b>
<b>Earnings for the year - Unregulated</b>	<b>\$ 474</b>	<b>\$ 503</b>
<b>Total loss for the year (Regulated and Unregulated)</b>	<b>\$ (2,316)</b>	<b>\$ (18,682)</b>

Appendix C: 2023/24 Business Plan on a Page

# 2024/25 Business Plan

## Our Purpose

Our purpose is to supply and safeguard sustainable, high-quality water services.

## Our Vision

We will provide our customers with high quality water, wastewater, and stormwater services. Through adoption of best practices, we will place the highest value on public health, customer service, fiscal responsibility, workplace safety and security, asset management, regulatory compliance, and stewardship of the environment. We will fully engage employees through teamwork, innovation, and professional development.

## Our Values

### Relationships

We nurture relationships with our customers, our team members and the environment. We are engaged in the neighbourhoods we serve and we support continual learning across our team.

### Innovation

We are among the top utilities across the continent and we are known on the global stage. We always ask, "how can we improve efficiency, sustainability, creativity and the customer experience?"

### Accountability

We refuse to cut corners. We check in with our excellence standards regularly and look to one another for support. Safety steers our decision-making. We are driven to make our policies, decisions and projects as clear as our drinking water.

### Protection

Halifax Water protects the health and well-being of our population. We exist to guard natural resources, finding ways to sustain our communities and environment.

## Our Goals



### People & Culture

- Enhance the overall Employee Experience.
- Develop a Talent Management Strategy.
- Develop a transition plan to support the Burnside Operations Centre.
- Continue to strengthen a positive and diverse workplace.
- Build institutional capacity to meet the challenges of growth.



### Health, Safety, Environmental & Social Responsibility

- Develop and enhance Source Water Protection Plans for our watershed.
- Initiate integration of ISO 45001, to enhance our safety culture.
- Complete a multi-year roadmap to monitor wastewater system flows.
- Deliver the Climate Action Plan and transition to a five-year roadmap.
- Build a proactive communications and stakeholder engagement plan.



### Financial & Regulatory Compliance

- Update financial models to reflect operational and infrastructure requirements.
- Execute contract and gain funding approval for Biosolids Processing Facility.
- Continue to enhance our approach to Capital Delivery and Project Management.
- Update Integrated Resource Plan.



### Operational Excellence

- Commence detailed design for the Cogswell District Project Energy Centre.
- Continue the Water Supply Enhancement Program.
- Develop a framework for ongoing asset maintenance plans and service standards.
- Develop Procedures to support the Environmental Management System Program.
- Expand Operational Readiness.
- Expand the use of systems to improve operational efficiency.
- Update enterprise risk management models.
- Strengthen Halifax Water's Cybersecurity.

