


2016/17 Business Plan

**Presentation to Halifax Council
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**To Provide World Class Services for
Our Customers and Our Environment**

 **Context of 2016/17 Business Plan**

- Reflects the second year of the five year business plan approved by the Halifax Water Board in October, 2014
- The second year of the two year test period contained in the Rate Application filed with the NS Utility and Review Board in November, 2014
- Approved by the Halifax Water Board on January 28, 2016

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▶ The Path to Sustainability

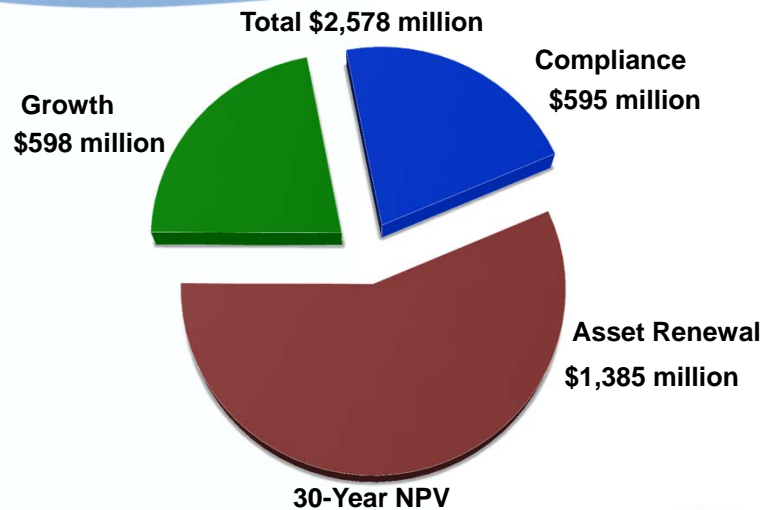
- As a regulated utility, Halifax Water must recover its capital and operating costs in conformance with the Public Utilities Act of Nova Scotia.
- Ensure a continued or enhanced level of service to customers
- Halifax Water must renew aging water, wastewater and stormwater infrastructure, achieve compliance with new federal wastewater regulations and facilitate growth.
- The recently completed Integrated Resource Plan indicates investments over the next 30 years in the order of \$2.6 Billion [net present value]

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▶ 30-Year Expenditures by Driver

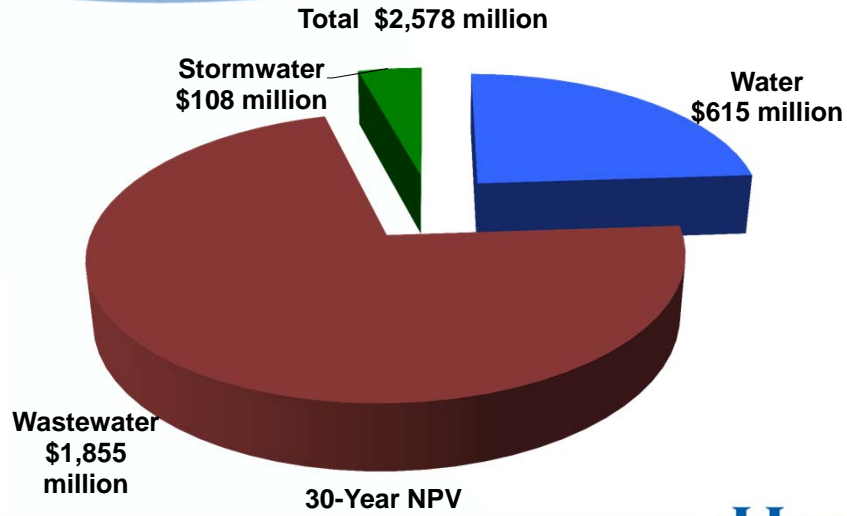


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▶ 30-Year Expenditures by Asset System



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▶ 2016/17 Capital Budget Summary [\$66.8 M]

2016/2017 Capital Budget by Asset Class - All Divisions



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▶ Major Capital Projects [Water]

- Macdonald Bridge Transmission Main Replacement: **\$3,295,000**
- Distribution System Main Renewal Program in conjunction with HALIFAX Streets program: **\$4,000,000**
- Lake Major Water Supply Plant - New Diesel Generator: **\$1,900,000**
- Asset Renewal and Process Upgrades – Water Supply Plants: **\$2,385,000**

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▶ Major Capital Projects [Wastewater]

- Collection System Renewal Projects integrated with HALIFAX Streets program: **\$1,500,000**
- Lateral Replacements: **\$2,190,000**
- Wastewater System – Trenchless Rehabilitation Program: **\$1,500,000**
- Belmont WWTF Decommissioning - **\$250,000**
- Aerotech WWTF Upgrade & Expansion - **\$13,930,000**
- Corporate Flow Monitoring Program: **\$660,000**
- Balsam Road Pumping Station Elimination: **\$770,000**
- Bedford Pumping Station Rehabilitation: **\$2,850,000**

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▶ Major Capital Projects [Stormwater]

- Sackville Crossroad Stormwater System Renewal: **\$1,100,000**
- Stormwater System Renewal Projects Integrated with HALIFAX Streets Program: **\$650,000**
- Culvert Renewals: **\$1,277,000**
- Sullivan's Pond Storm Sewer Replacement – Design: **\$250,000**

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▶ Major Capital Projects [Corporate]

- GIS Data Program: **\$1,000,000**
- Computer Network and Hardware Upgrades: **\$380,000**
- Computerized Maintenance Management System: **\$1,500,000** [In partnership with HALIFAX Municipality]
- Corporate Fleet: **\$1,655,000**
- Advanced Meter Infrastructure Upgrade: **\$3,300,000**
- Asset Management Program: **\$600,000**

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▶ 2016/17 Operations Budget Summary

Pro Forma Income Summary

	Actual 2014/15	Approved Budget 2015/16	Proposed Budget 2016/17
Operating Revenues	\$130,320	\$129,905	\$135,675
Operating Expenditures	\$94,381	\$103,614	\$102,425
Operating Profit	\$35,939	\$26,291	\$33,250
Non-Operating Revenue	\$3,055	\$3,077	\$3,291
Non-Operating Expenditures	\$32,099	\$33,818	\$36,386
Net Surplus (Deficit)	\$6,896	(\$4,449)	\$154

Note: Consolidated numbers reported above include regulated and un-regulated activities of the Urban Core, Satellite and the Airport/AeroTech Systems.

▶ Key Strategic Initiatives

- Customer Care Centre
- Advanced Meter Infrastructure
- Operational Maintenance Management
- Wet Weather Management
- Energy Management
- Stormwater Cost of Service
- Environmental Management System Expansion
- Asset Management

▶ Infrastructure Funding Update

- Of the Priority List approved by Council in 2014, the following projects received federal/provincial funding;
 - Aerotech WWTF Upgrade and Expansion [\$21 million]
 - Water Transmission Mains; Bedford Connector, Lucasville and Port Wallace [\$15.2 million]
- Top three projects on the current list:
 - Lake Major Dam Replacement [\$4.8 million]
 - Northwest Arm Sewer Rehabilitation [\$15.4]
 - Sullivan's Pond Storm System Renewal [\$8.3]
- HALIFAX and Halifax Water staff currently working on additional priority list to bring to Council for endorsement

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**Questions or
Comments?**

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