

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget



AGENDA

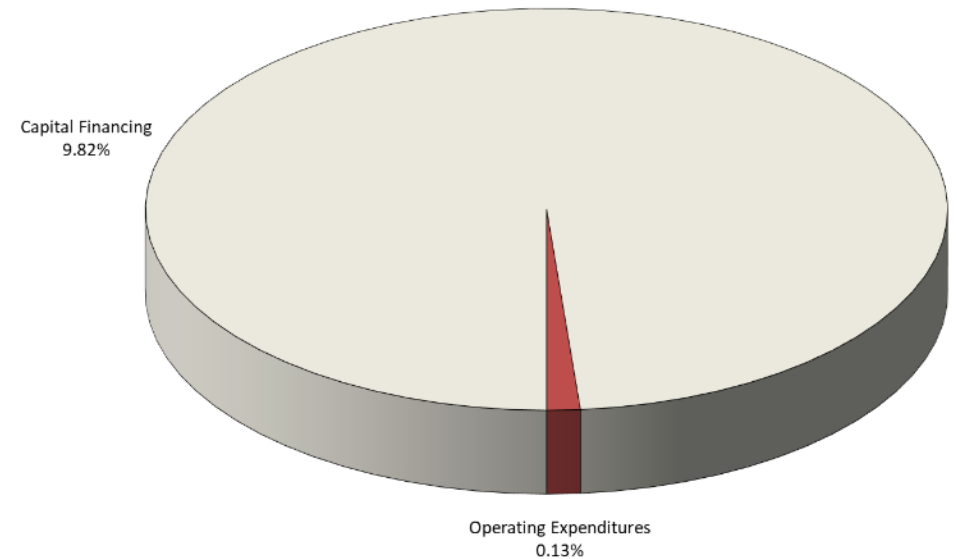
- **Introduction**
- **2024 Highlights**
- **Supporting Hamilton's Growth**
- **Challenges**
- **Multi-Year Outlook**
- **2025 Budget and FTE Business Cases**
- **Government Advocacy**
- **Questions**

INTRODUCTION

Planned Rate Revenue (Average Residential) increase is currently set at **9.95%**

- Recommended 2025 **operating budget of \$121.5M** (0.01% increase from last year's 2025 forecast)
- Recommended 2025 **capital budget of \$315M** (gross, **16% decrease** from 2024 rate budget forecast for 2025)
- Total increase to 10-year capital expenditures of **\$382M** compared to 2024 rate budget
- Recommended **9** new FTEs which align with Term of Council priorities and Mayoral Directive to Staff (MDI-2024-03) on the 2025 Budget Process (October 28, 2024)

Drivers of 9.95% Rate Increase



2025 Projected Average Rate Impact		
	\$	%
Operating Expenditures	\$1.26	0.13%
Capital Financing	\$94.84	9.82%
Average Residential Impact	\$96.10	9.95%

DRINKING WATER QUALITY MANAGEMENT SYSTEM POLICY



The City of Hamilton owns, maintains and operates various drinking water systems. The City is committed to:

- S** *Safe, high quality, consistent supply of drinking water*
- A** *Always improving the Drinking Water Quality Management System*
- F** *Following and complying with applicable legislation*
- E** *Effective and open communication with the community concerning matters of drinking water quality*



WASTEWATER QUALITY MANAGEMENT SYSTEM POLICY



The City of Hamilton owns, maintains and operates various wastewater systems. The City is committed to:

- C** *Compliance with all legal and other requirements*
- L** *Leaders in pollution prevention*
- E** *Effective Communication with the community*
- A** *Always improving the Wastewater Quality Management System*
- N** *Noteworthy innovation*





Water Supply
Water Distribution
Water Support
Services

Infrastructure Management



Wastewater Treatment
Wastewater Collection
Wastewater Support
Services

Infrastructure Management



Stormwater Treatment
Stormwater Collection
Stormwater Support
Services

Infrastructure Management

HAMILTON WATER – SERVICES AND SUBSERVICES

2022-2026 Term of Council Priorities



**Sustainable
Economic and
Ecological
Development**



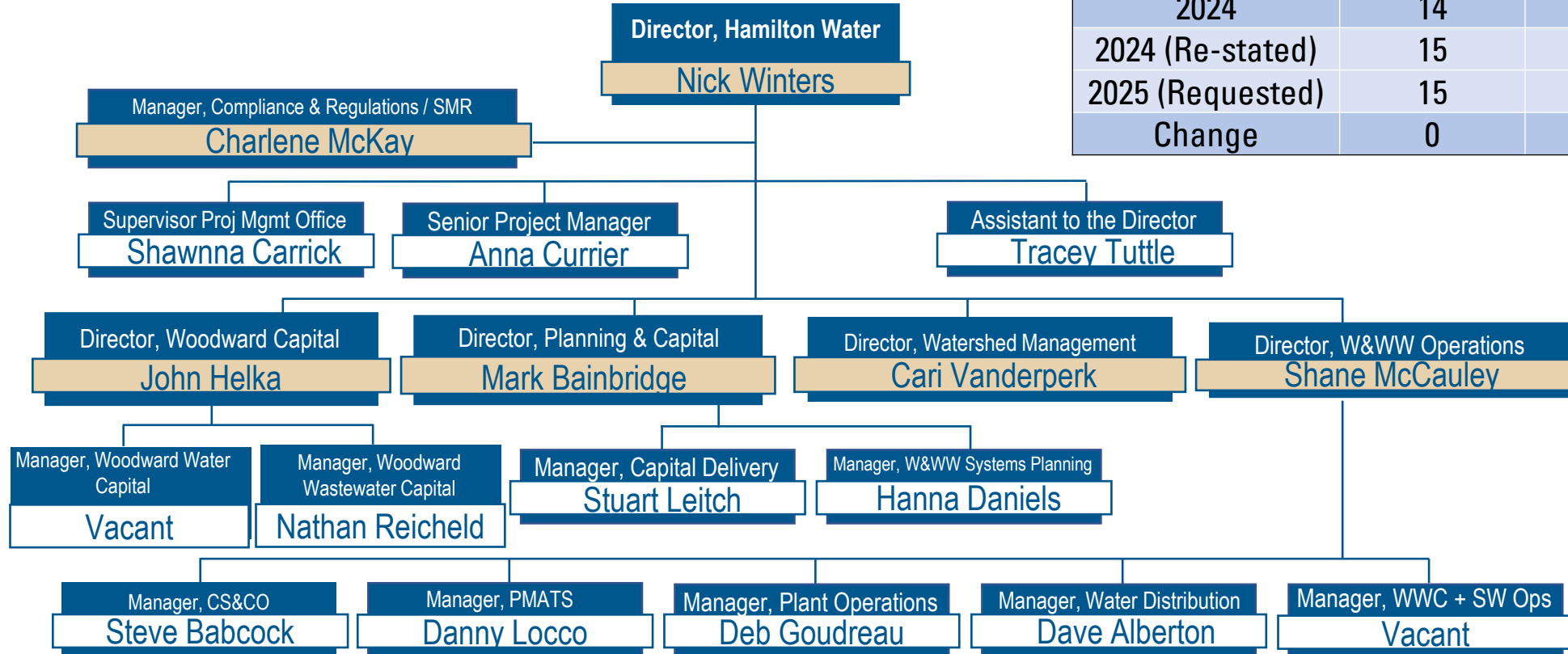
**Safe and Thriving
Neighbourhoods**



**Responsiveness
and Transparency**

INTRODUCTION

Permanent Complement (FTE)	Management	Other	Total	Staff to Management Ratio
2024	14	378.65	392.65	27.05:1
2024 (Re-stated)	15	385.65	400.65	25.71:1
2025 (Requested)	15	394.65	409.65	26.31:1
Change	0	9	9	



WATER FORECAST 2024

LYNDEN
CARLISLE
FREELTON
GREENSVILLE



KILOMETRES OF
WATERMAINS

180

WATERMAIN
BREAKS
REPAIRED



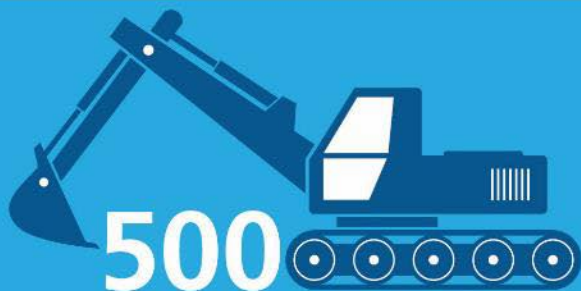
4 TARGETED
CONSTRUCTION
PROJECTS



DAY-TO-DAY OPERATIONS
AND MAINTENANCE OF

13,700

390 HYDRANTS AND
POST HYDRANTS



SUBSTANDARD WATER SERVICE
LINE REPLACEMENTS



22,800

WATER TREATMENT
PLANT SAMPLES
TESTED

27,200

WATER DISTRIBUTION
SAMPLES TESTED

162,040

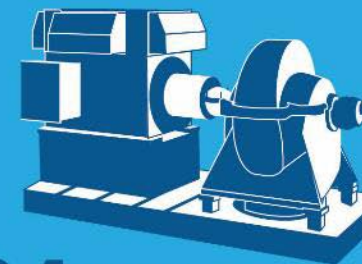
WATER METERS



76.49 BILLION LITRES OF
WATER TREATED



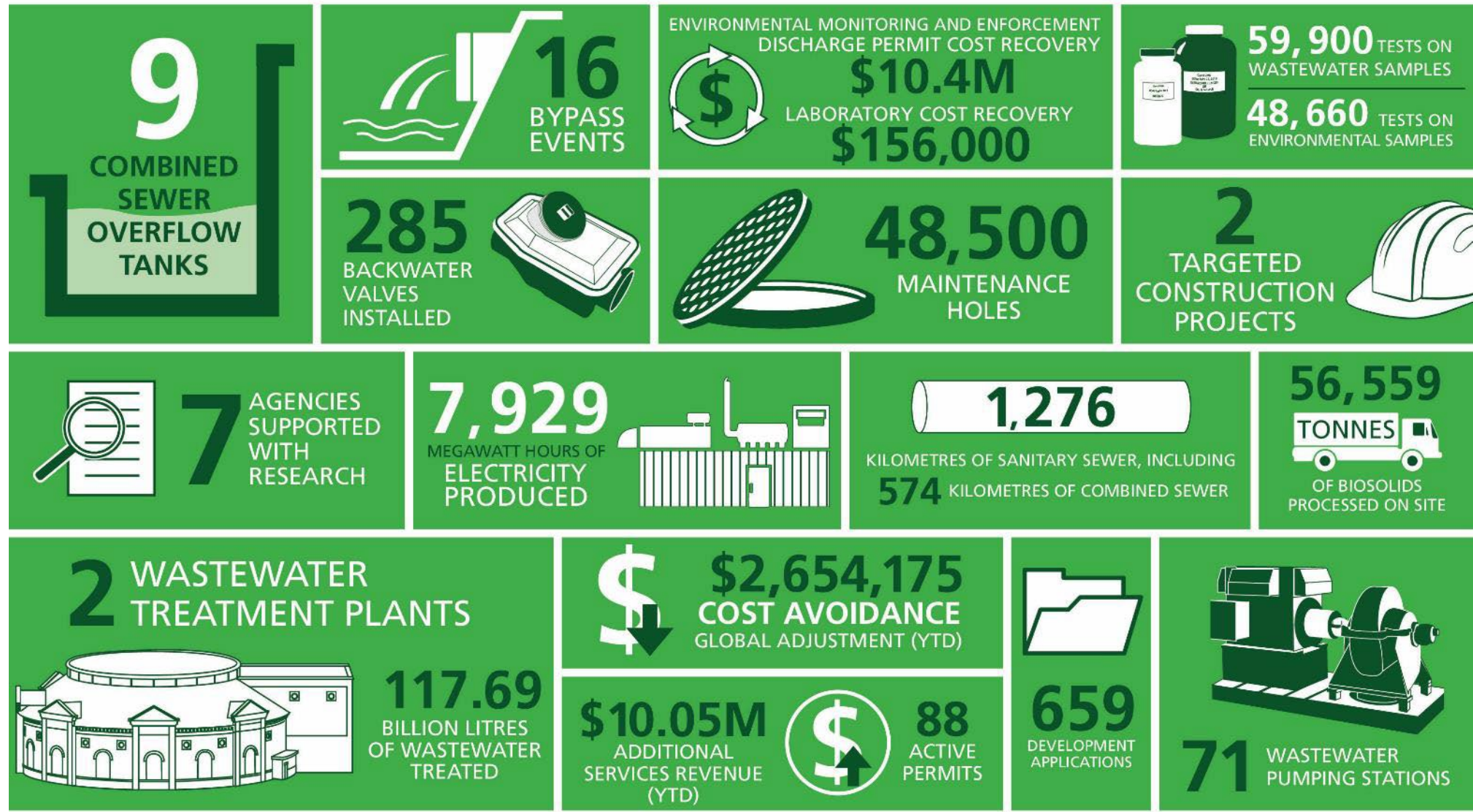
1 WATER
TREATMENT PLANT



24 WATER
PUMPING STATIONS

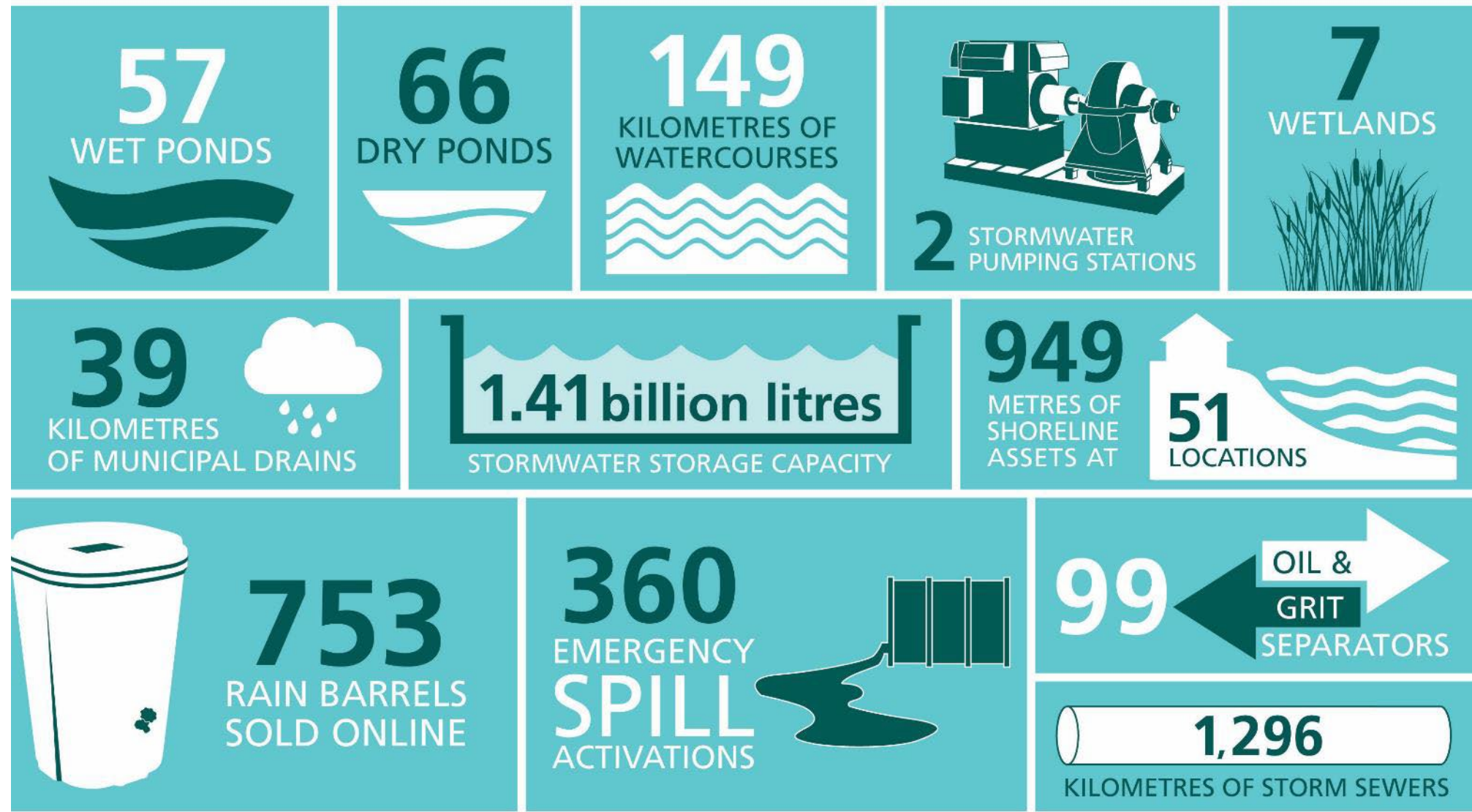
TOTAL WATER ASSETS - \$4.25 BILLION

WASTEWATER FORECAST 2024



TOTAL WASTEWATER ASSETS - \$7.25 BILLION

STORMWATER FORECAST 2024



TOTAL STORMWATER ASSETS - \$3.14 BILLION

SYSTEM PERFORMANCE FORECAST 2024

DUNDAS WWTP



4.54
billion litres of
wastewater
treated



of continuous
compliance within
wastewater
effluent limits

WOODWARD WTP



76.49
billion litres of
water treated
(YTD)



17 AWQI
adverse water
quality incidents
(YTD)



\$2.04M
cost avoidance
global adjustment
(YTD)

WOODWARD WWTP



113.15
billion litres of
wastewater treated



77%
capacity
utilization (5 yr average)



56,559
tonnes of
biosolids processed on site



5,956
megawatt hours
generated by cogen unit (YTD)



of continuous
compliance within
wastewater
effluent limits



13,604
gigajoules
generated by the
bio-gas purification unit (YTD)



16
plant bypasses (YTD)



2
odour
complaints (YTD)

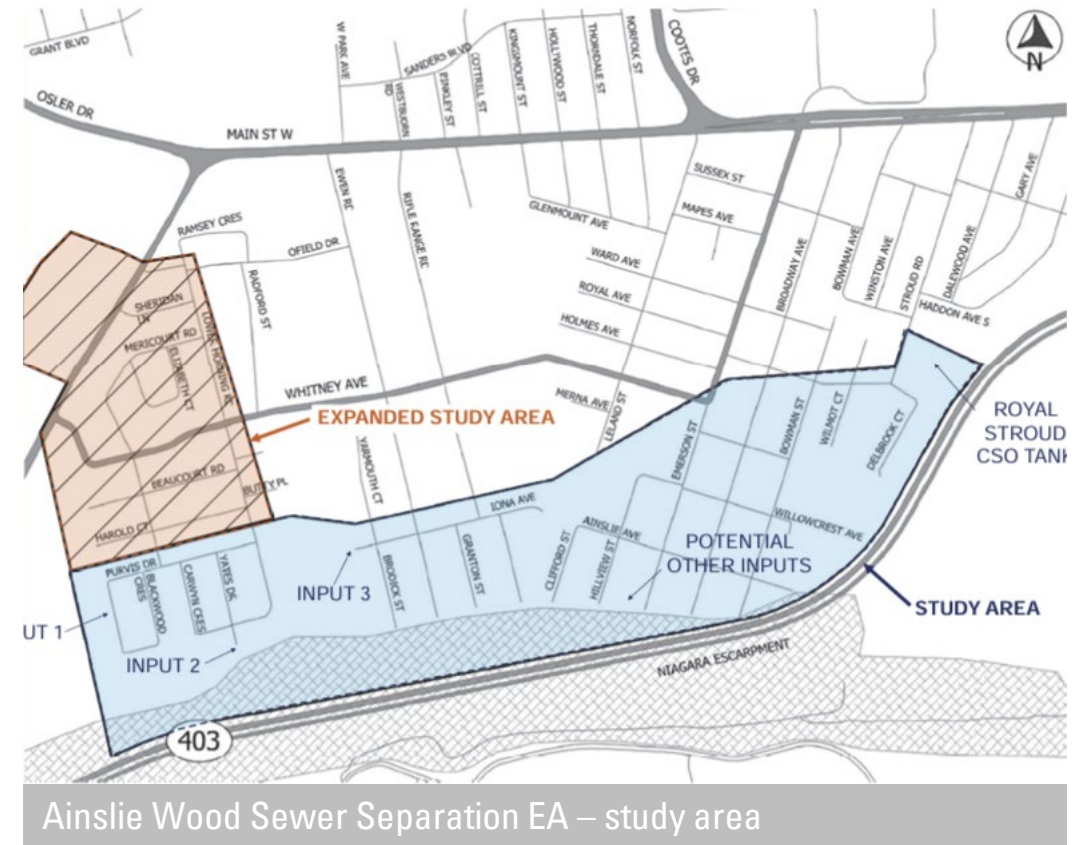


2024 HIGHLIGHTS



Municipal Class Environmental Assessments

Environmental Assessment	Status
Ainslie Wood Sewer Separation	Complete
Carlisle Water Storage	Complete
Greenville Drinking Water System	Complete
Beach Blvd Flooding and Drainage	In Progress
Waterdown Trunk Watermain Twinning	In Progress
McMaster University Gardens W. Sanitary Pumping Station	In Progress
Lower Chedoke EA	In Progress
Chedoke Watershed Stormwater Retrofits	In Progress
West End Sewer Separation	New
Parkdale Sewage Pumping Station	New





2024 HIGHLIGHTS

Capital Projects in Design

- Woodley Lane Reservoir Upgrades (2026)
- Scenic Drive Reservoir Cleaning (2027)
- WTP Low Voltage Electrical Upgrades (2025)
- WTP Pre-Treatment Isolation Valves (2026)
- WTP HLPS Large Valve Replacement (2027)
- Greenhill Pumping Station Upgrades (2027)
- York & Valley Pumping Station Upgrades (2028)

Water



(year indicates construction substantial performance year)

- Dundas WWTP Upgrades Conceptual Design (2033)
- Greenhill CSO Upgrades (2027)
- Rockcliffe Pumping Station Upgrades (2026)

Wastewater



- Grafton and Centennial Stormwater Pumping Stations (2025)
- DMAF Backflow Valves (2026)

Stormwater





Capital Projects in Construction

- Garner Road Pumping Station Upgrades (2025)
- Lynden Municipal Well Upgrades (2025)
- Highland Road Reservoir Upgrades (2025)
- WTP Highlift Pump Station HVAC (2025)
- WTP Low Voltage Upgrades (2025)
- WTP North Chamber Upgrades (2025)

Water



(year indicates construction substantial performance year)

- Dundas WWTP Health & Safety Repairs (2026)
- Real Time Control - Phase 2 (2024)
- Calvin Street Wastewater Pumping Station Upgrades (2025)

Wastewater



RTC Phase 2



Garner Road Pumping Station

Infrastructure Renewal - Water

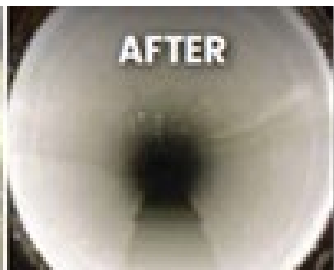


Kenilworth Feedermain Rehabilitation

Watermain lining "sock" installation



BEFORE



AFTER

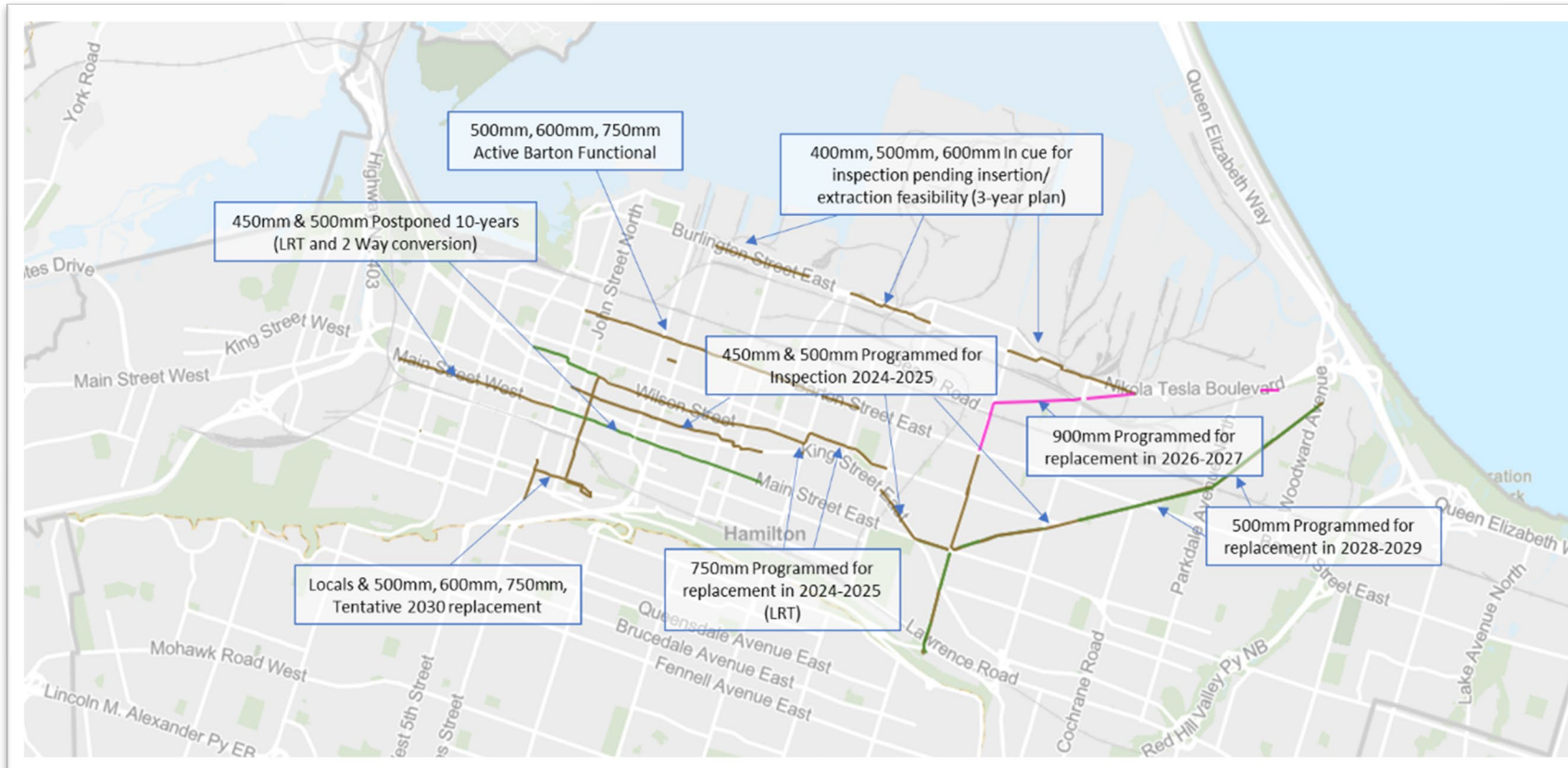
Kenilworth PS 1050mm Feedermain

- 2023 urgent work completed
- 2024 Contract works and Emergency Works (vertical rehabilitation) completed

Watermain Lining

- **4.16 km** projected for 2024 completion
- **5 Sensitive Crossings** complete
- **\$7.5M** average annual expenditure
- Cured In Place Pipe (CIPP) – cost-effective, trenchless technology reduces excavation requirements, traffic impacts, and infrastructure damage

Infrastructure Renewal - Water



Transmission Mains Age 100+ Years

Transmission Mains

- Over 100 years old
- Programmed for capital replacement and/or inspection

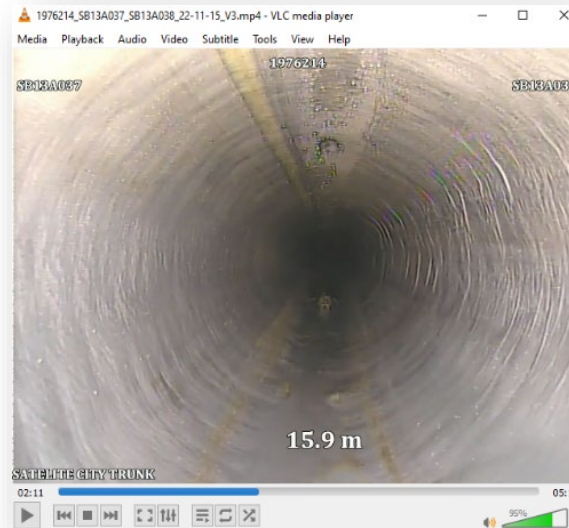
Large Diameter Watermain Inspection Program

- Ongoing
- Approximately 10 km inspected in 2024
- Anticipate inspecting 6 km in 2025



Infrastructure Renewal - Wastewater

- **Mainline Sewers** - 11km Lined
- **Sewer Laterals**
 - July-Dec 2023 – 106 Installs
 - 2024 – 354 Installs
- Both contracts expiring in 2024, new RFPs to be tendered this year
- 2025 programs scoped



Program Overview



449 km lined to date since program inception in 1993



\$138M in Lining vs \$470M Replacement (2023 data)



Cost avoidance = \$335M since program inception (2023 data)



Woodward WWTP - Tertiary Treatment Upgrades

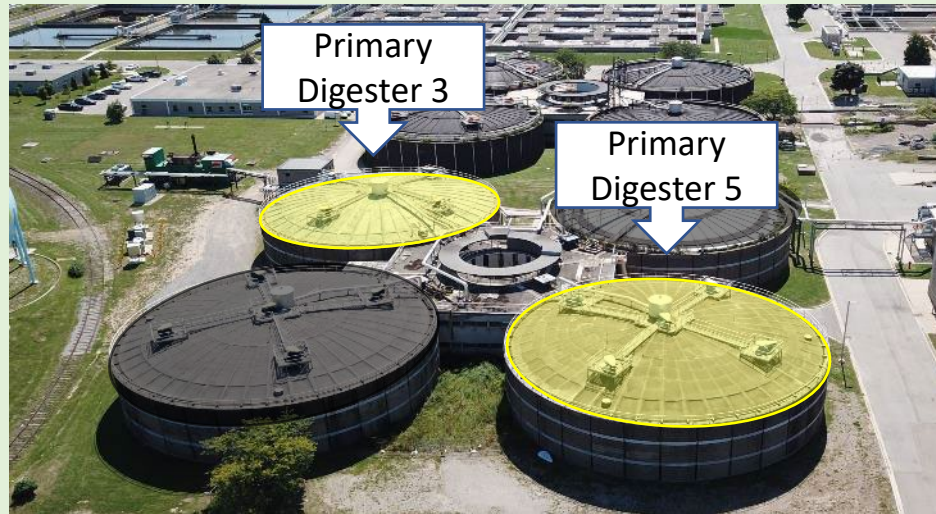


- Substantial Performance reached April 15, 2024
- Tertiary Treatment Facility containing 10 cloth media disk filter trains, upgrades to secondary treatment process, new chlorine contact tank, and modifications to Red Hill Creek
- Provides improved quality of treated effluent being released to Red Hill Creek and Hamilton Harbour
- Construction contract value: **\$187M**



2024 HIGHLIGHTS

Digester 3/5 Upgrades & Rehabilitation



- Replacement of mixing equipment, structural repairs, process piping upgrades and biosolids cleanout
- Construction started May 2024 for a period of 2 years

Primary Clarifier (Galleries 1-8) and Scum Building Upgrades



- Structural, architectural, process mechanical, and electrical upgrades to ensure continued functionality of Primary Clarifiers 1-8 and Scum Building
- Design to continue through 2024, with completion targeted for 2025 followed by a 2-year construction period



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget 2024 HIGHLIGHTS

Watershed Action Plan

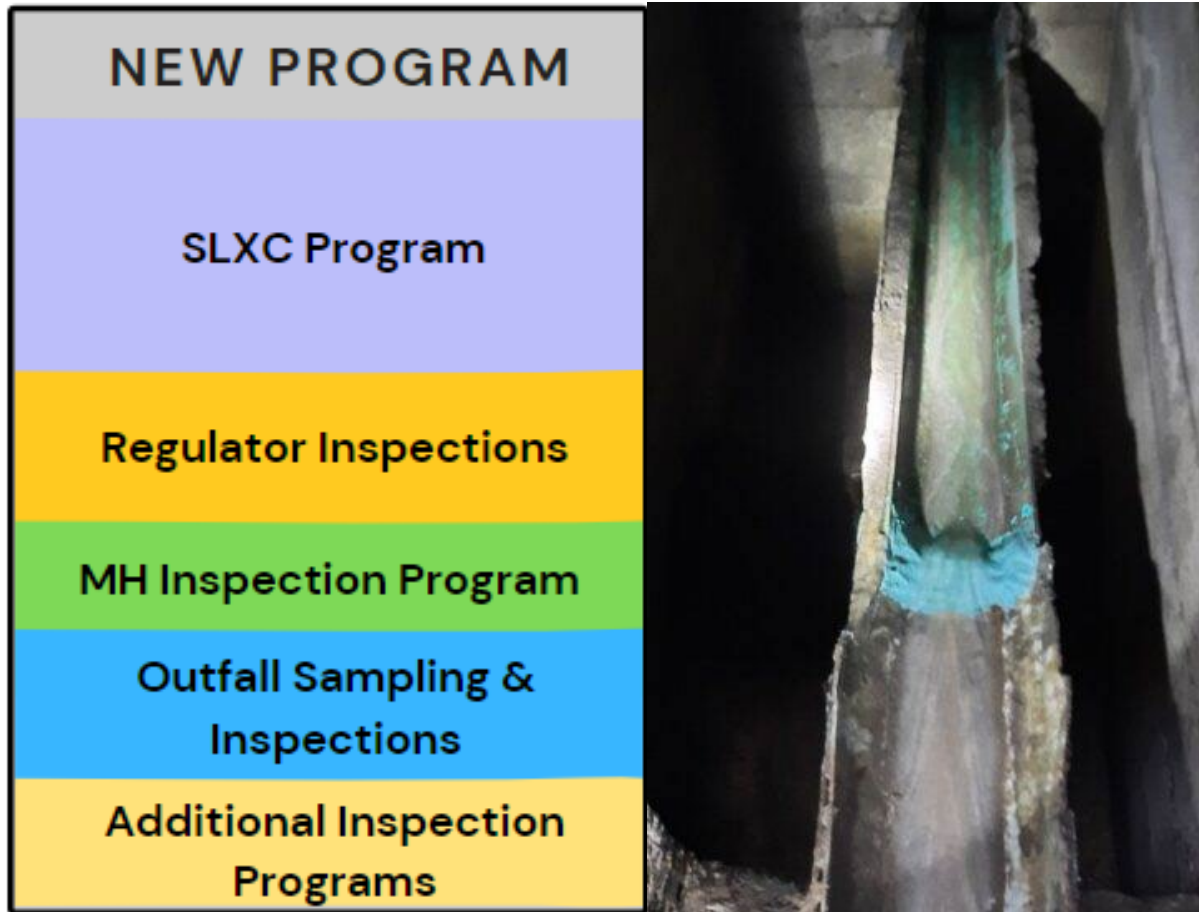
- Term of Council Priority to support de-listing of Hamilton Harbour as an Area of Concern
- Adaptive management projects and programs to:
 - Improve local water quality
 - Reduce flooding risks
 - Improve natural habitats
 - Enhance outreach and education programs
- **\$7.5M** in proposed short-term actions (1-3 years)
- GIC approval – November 6, 2024



Stormwater & Municipal Drain Management Program

- Safari Rd – Municipal Drain
- Stormwater Pond dredging, compliance inspections and tree planting events
- Watercourse Inspection Program
- Watercourse Rehabilitation Works
- Storm Response Program
- Pre & Post Storm Inspection Program





Enhanced Sewer Inspection Program

- Staff hiring & onboarding
- Vehicles and tools secured
- Inspection app developed
- Guidance documents / procedures
- Modified inspections
- Dry-weather in-pipe sampling



Utility Locates Office Creation

- Bringing work in-house projected to save **\$3.46M**
- Superintendent and Field Supervisors hired, initial front-line staff starting early December
- Nearing completion of procurement for vehicles, equipment, and software
- On track for planned Q1 2025 “kick off”





Treatment Plant Performance

Water

100% water quality compliance in drinking water treatment

- Woodward WTP and Fifty Road subsystem
- 4 well-based systems in Carlisle, Freelton, Greenville, Lynden

Wastewater

Significant staff effort to maintain compliance at both Dundas and Woodward WWTP

- **Dundas WWTP** - 115 consecutive months compliance
- **Woodward WWTP** - one exceedance of chlorine in effluent, 88+ consecutive months of nutrient pollution compliance





2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

2024 HIGHLIGHTS



- Reducing contracted maintenance
- Improved Preventative Maintenance Program



- Hamilton Water SCADA system maintained 100% uptime and was unaffected by the cybersecurity incident



2024 HIGHLIGHTS



Hamilton Water Climate Actions

Projects

- Completion of RTC Phase 2
- Woodward WTP Phase 2A
- Woodward WWTP Capacity Expansion
- Dundas WWTP (wet weather treatment capacity increase)
- Aberdeen Sewer Separation
- Churchill Park Community Flooding Remediation Project

Studies

- Flooding and Drainage Improvement Framework EAs
- Ainslie Wood Sewer Separation EA
- Wet Weather Master Plan
- Energy & Greenhouse Gas Strategy
- WTP Intake Monitoring
- Global Chlorination Study

Operational Programs

- Outfall inspection & cleaning program
- SWMF monitoring & maintenance program
- Seasonal Operating Strategy
- Invasive Species Management Program



Industry Awards and Recognition

- **Water Canada Award Winner (Wastewater)** - Enhanced Sewer Inspection Program
- **Water Canada Award Winner (Stormwater)** – Hamilton Drone Driven Approach to SWM Pond Bathymetry
- **North American Society for Trenchless Technology - Trenchless Rehabilitation Project of the Year** – Kenilworth Trunk Watermain Rehabilitation Project (Engineering Services)
- **Ontario Water Works Association – Water Efficiency Award of Excellence** – Private Leak Detection Program
- **2024 Stormwater Solutions Magazine – Top Stormwater Project** – Phragmites Management
- **American Water Works Association – Best Article Award** - Proactive Leak Detection





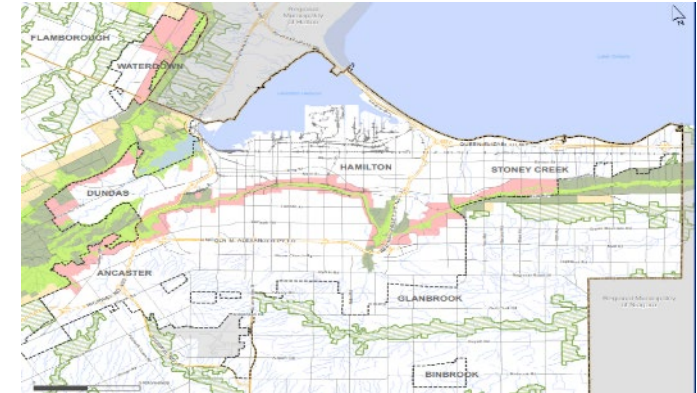
SUPPORTING HAMILTON'S GROWTH





Water, Wastewater, and Stormwater Master Plan

- Project initiated in 2017
- Significant delays due to changing municipal/provincial decisions and legislative amendments (e.g. Growth Plan, urban boundary expansion, Greenbelt land use)
- The Master Plan helps define:
 - Policy around how we expand our systems
 - System improvements to reduce risk and enhance service
 - Impacts of growth on Combined Sewer Overflow capture rate
 - How on-site control improves sewer system function
- Study is expected to be completed by Q3 2025



GROWTH TO 2051

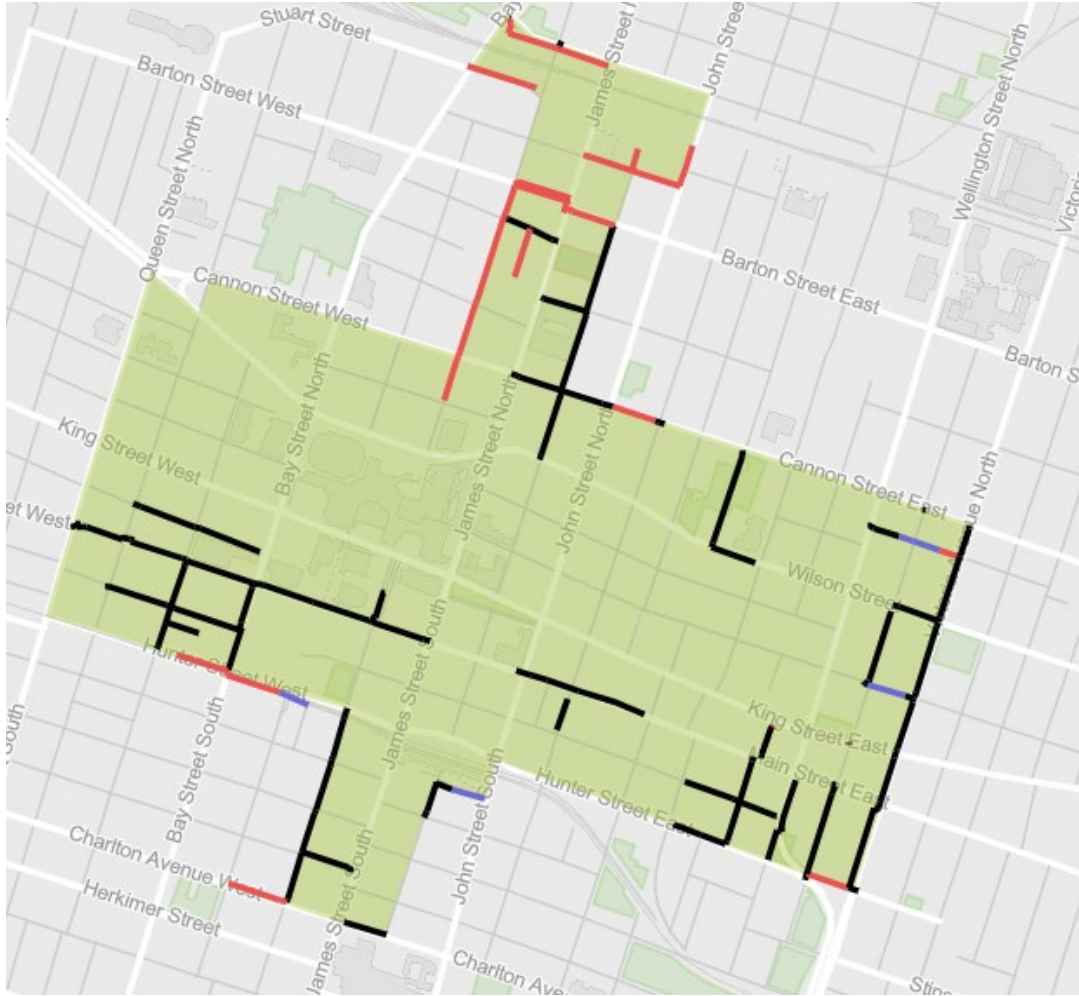
	Population	Employment
2021	584k	238k
2026	616k	256k
2031	652k	271k
2036	691k	289k
2041	733k	310k
2046	777k	333k
2051	823k	357k



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget SUPPORTING HAMILTON'S GROWTH

Downtown Servicing Study

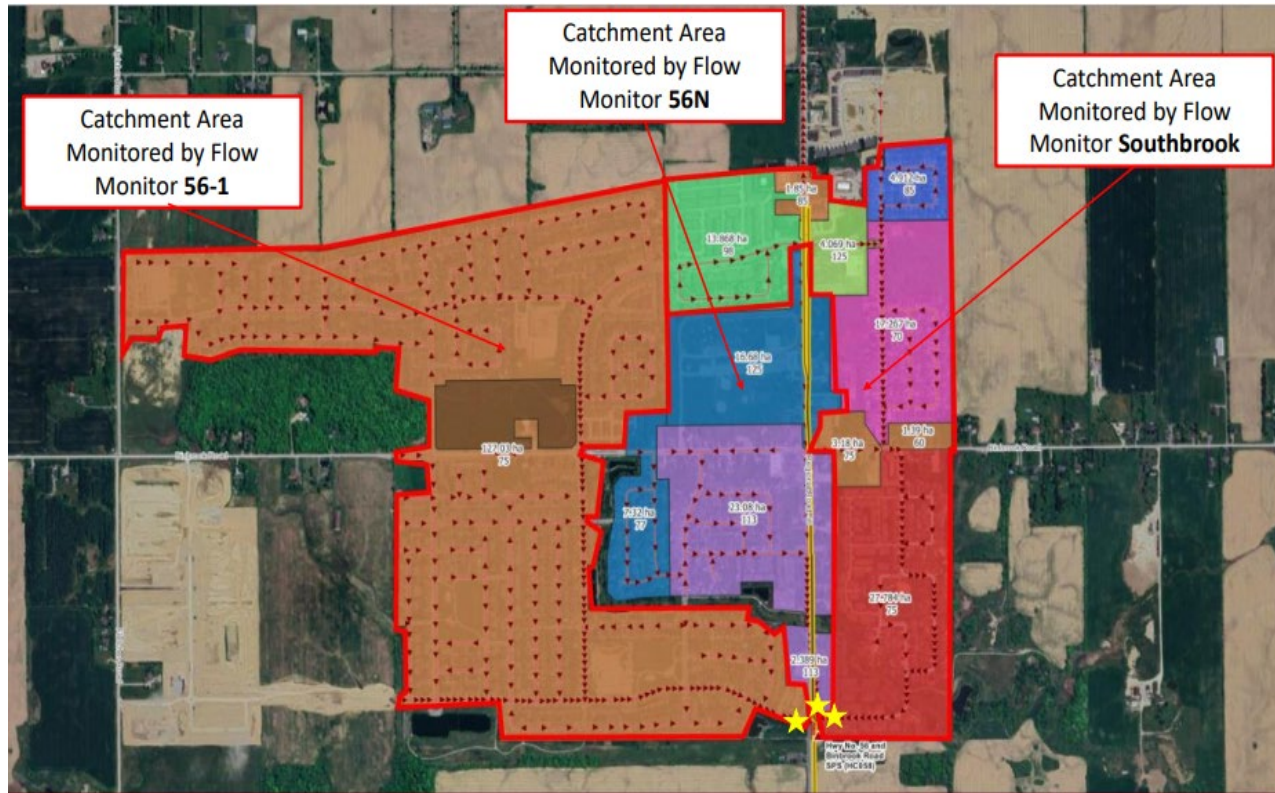
- Study complete
- Recommendations will inform and augment future watermain works
- Findings will enhance co-ordination of road rehabilitation and other subsurface infrastructure projects in the downtown core
- No standalone replacement/upgrade projects in 2025



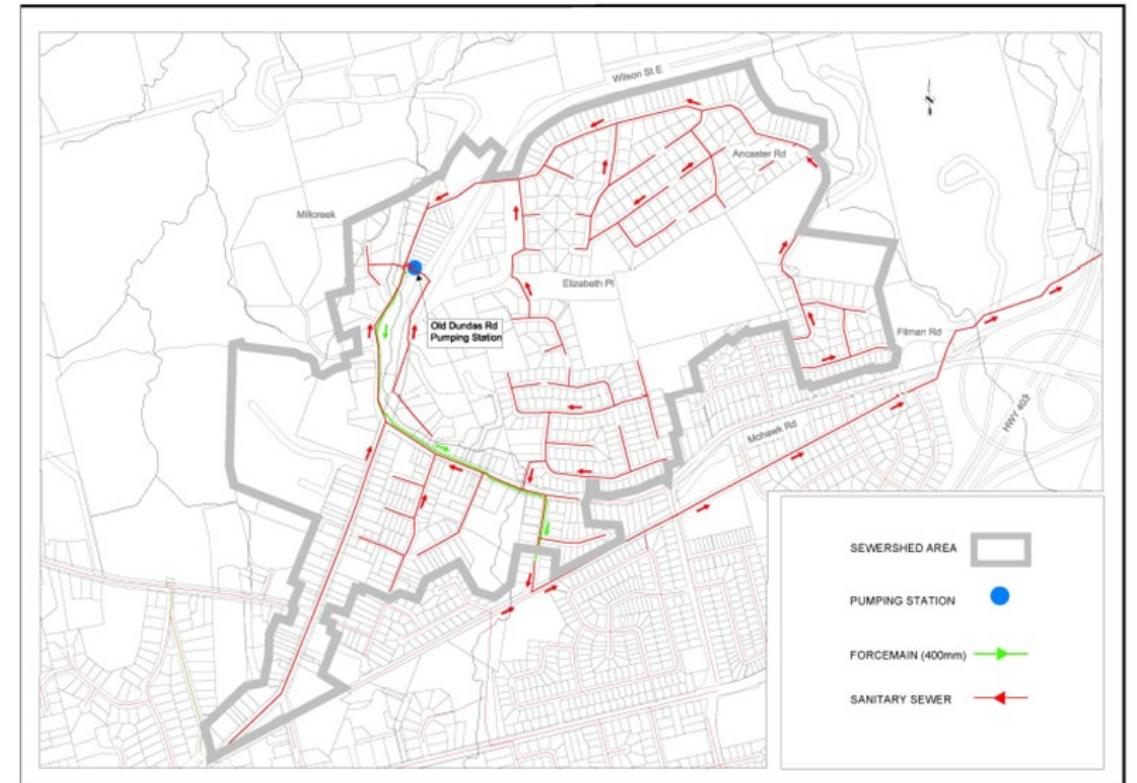


2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget SUPPORTING HAMILTON'S GROWTH

Binbrook Sewage Pumping Station Capacity



Ancaster Sewage Pumping Station Capacity

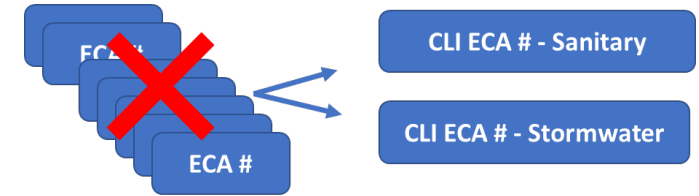




2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget SUPPORTING HAMILTON'S GROWTH

Consolidated Linear Infrastructure (CLI) ECAs for Wastewater/Stormwater System

- Q1 2021 - Application submitted
- Q1 2025 – Anticipated receipt of final CLI ECAs
- **Benefits**
 - All collection system requirements in two approvals (sanitary and storm), streamlined pre-approval for low-risk projects
 - Consistent operational and compliance requirements across systems
- **Next steps**
 - Q4 2024 into 2025 – Staff Awareness Training
 - Q1 2025 - Developer Industry Liaison Group consultation
 - 2025 - procedure & process mapping





Infrastructure Renewal - Water

Garner Road Trunk Watermain

- Watermain supply and replacement, curb and roadway restoration and associated works
- Anticipated completion 2025

York Blvd & Cannon St. W.

- Urban rehabilitation, active transportation, intersection improvements, and watermain installation
- Awarded \$9.4M funding from Ministry of Infrastructure (Housing Enabling Water Systems Fund)
- \$12.9M overall budget
- Anticipated completion 2025



Garner Road: geo-grid installation



Garner Road: completed road



York Blvd watermain installation



York Blvd watermain installation

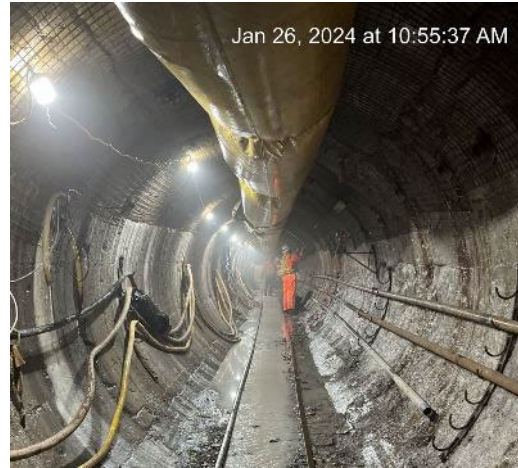


2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget SUPPORTING HAMILTON'S GROWTH

Dickenson Road Sanitary Trunk Sewer Project



Shaft 1 for the tunnel located at R.R. 56 and Golf Club



- Large trunk sewer to service the Airport Employment Growth District
- Budget - \$122.5M
- Construction initiated October 2022
- Construction completion anticipated in 2027



CHALLENGES

CHALLENGES

Cybersecurity Incident

- Alternative manual work processes impacting interim efficiency and data collection
- Managing vendor and contractor relationships due to slower payment processing times following the incident
- Impacts on recruitment and hiring immediately following the incident with knock on effect to operational and project capacity
- Some unrecoverable digital documentation

Building Back Better

- Rapid adoption of corporate collaboration and communication solutions
- Accelerated implementation of Enterprise Asset Management
- Continued modernization and enhancements to HW technology infrastructure





Aging Infrastructure

- Leads to more complex repairs, risks to service delivery
- Increased frequency of emergency repairs has impacts to operations and costs
- **Dundas Wastewater Treatment Plant** – Health and safety issues due to deteriorating infrastructure, large upgrade project beginning design
- **Digester #3 and #5 Rehabilitation and Upgrades** – Digester 3 emergency repair completed, rehabilitation of Digester #3 and #5 started May 2024 (\$13.5M)
- **Policy 10 Emergency Repairs** – Polymer Tank Replacement (~\$350K)



Climate Change

- Severe storms – wastewater treatment plant bypasses, combined sewer overflow events
- Algae blooms
- Increasing water temperature impacting chlorine levels at the extremities of the water distribution system

Achievements and Opportunities

- Beach Blvd. Flooding & Drainage EA
- Aberdeen Sewer Separation
- Westdale North Sewer Separation
- Green Infrastructure Working Groups
- Real Time Control
- Energy and Greenhouse Gas Strategy
- Wet Weather Master Plan
- Ravine and Watercourse Engineering Team – FTE requests



August 2023 – Birch Avenue flooding



Provincial Planning Policy Changes



- Broad changes to several provincial planning policies – Bill 185, Bill 23, Bill 109, Provincial Planning Statement, etc.
- Urban intensification and managing flooding and drainage risks
- Urban boundary expansions and impacts on Water, Wastewater, and Stormwater Master Plan
- Adequate servicing

Cost Increases

- Costs of certain parts have seen dramatic cost increases
- > 30% increase in construction costs since 2021
- Numerous service contracts expiring soon, anticipating cost increases

Part	Cost (pre-pandemic)	Cost (post-pandemic)
GBT Belt	\$3300.00	\$5800.00
Eurodrive Gear Boxes	\$3280.00	\$5495.00
Grit Pump Volutes	\$4250.00	\$6417.00

Average cost increase of 65%



Dundas Wastewater Treatment Plant Upgrades



MULTI-YEAR OUTLOOK



Woodward Wastewater Treatment Plant Expansion – Phase 2

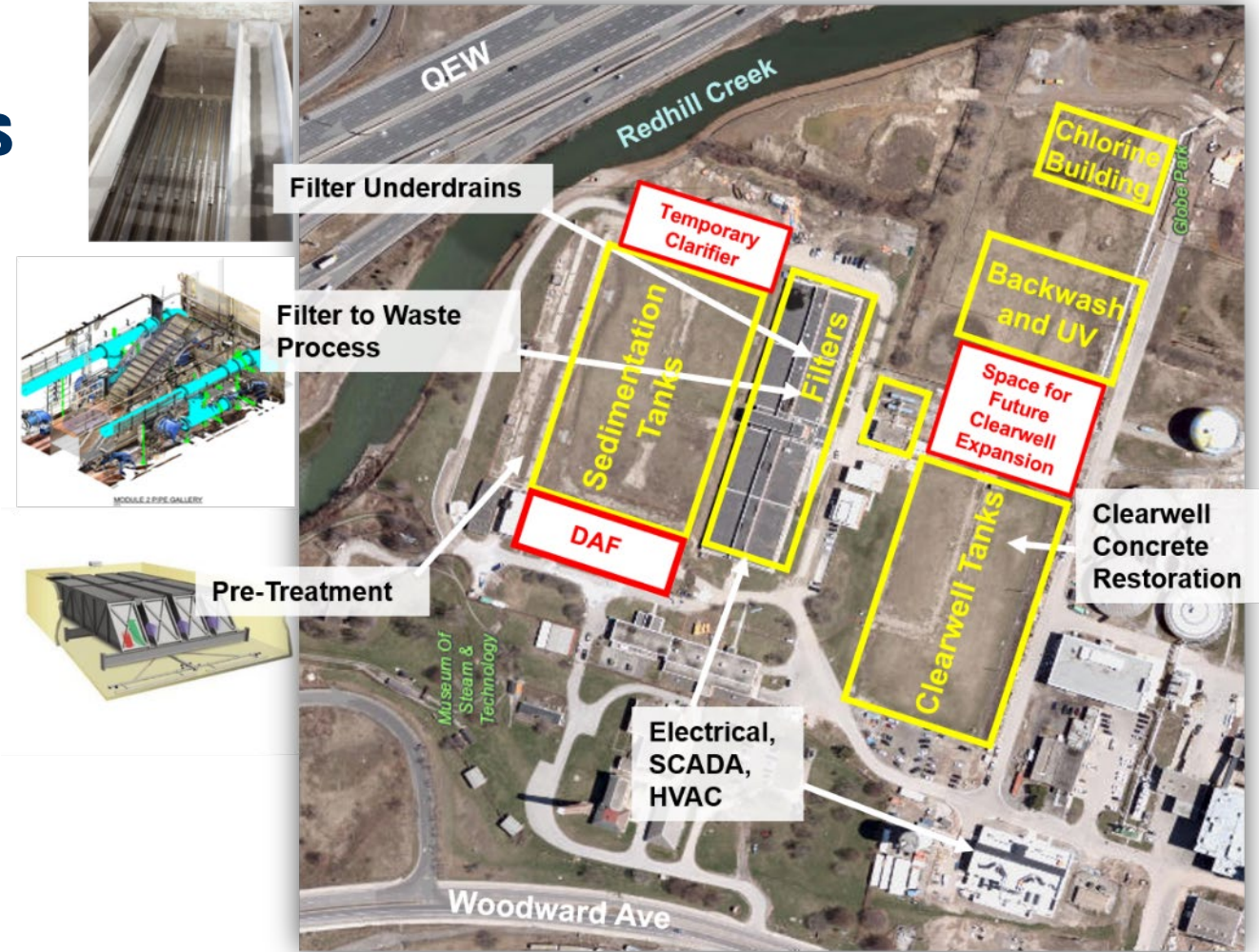


- Increasing average rated capacity to 500 Megalitres per Day (MLD) and peak capacity to 1000 MLD to meet growth requirements
- Rehabilitation/renewal of existing treatment plant infrastructure, expansion of secondary and tertiary treatment
- **\$445M** construction cost estimate
- Estimated target completion date of **2032**
- Engineering Assignment (RFP) awarded Q1 2024, Notice to Proceed issued May 13, 2024, initial design work in progress



Woodward Water Treatment Plant – Phase 2A & 2B Upgrades

- **Phase 2A Water Quality Upgrades + Lifecycle Renewal** – UV Facility, filter-to-waste, chlorine building, backwash pumps, filter underdrains, **\$330M budget**
- **Phase 2B Capacity Expansion** - Sedimentation tank “bottleneck” will be relieved to support increased demands from growth, **\$212M budget**

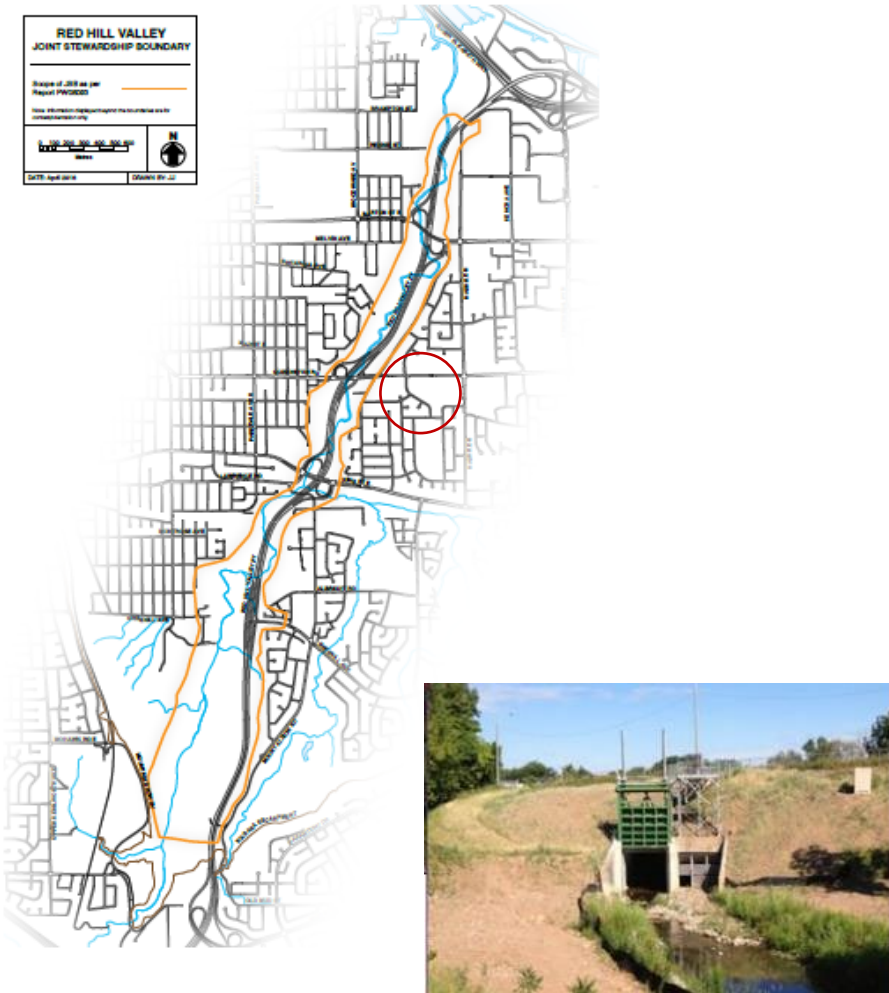




Dundas Wastewater Treatment Plant Upgrades



- Using condition assessments to identify renewal needs
- Analyzing costs for enhanced treatment as well as stewardship options for becoming a Wastewater Centre of Excellence
- Public Works Committee approval – Oct 2024
- Project Budget - **\$254M**
- Anticipated completion 2033



Davis Creek Flood Control Structure

- Improvements required to restore operability of the flood control structure, a component of the stormwater management system for the Red Hill Valley Parkway
- Electrical and instrumentation upgrades to provide smart and responsive control during severe storms
- Budget – \$2.2M

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
MULTI-YEAR OUTLOOK

Capital Projects			
Project	Scope	Tent. Construction Year	Status
Dickenson Sanitary Sewer	Installation of sewer, watermains, water valves, roadway re-construction.	2022-2026/2027	Construction
Garner Road Trunk Watermain	New trunk watermain installation and road restoration	2024-2025	Construction
York and Cannon	Urban rehabilitation, active transportation, intersection improvements, watermain installation	2024-2025	Construction
Wentworth/Wilson	Watermain, storm and sanitary sewer replacement, road and sidewalk rehabilitation	2024-2026	Design
Nash Road Transmission Main Leak Rehab*	Internal pipe repair	2024-2025	Planning
Royal CSO to Main/King CSO – Phase 1	Sanitary Sewer Twinning	2025-2026	Design
Scenic – Chateau to Goulding	Road reconstruction and urbanization, sanitary sewer construction, watermain replacement.	2025	Design
Stone Church Feedermain	New trunk feedermain	2026	Design
Lower Centennial Trunk (formerly named Battlefield Trunk Sewer Twinning)		2027 to 2029	Design

MULTI-YEAR OUTLOOK

Programs and Initiatives	
Description	Program Update
Watermain lining	Typically aim for ~5 kms 3 Sensitive crossings (403/QEW Highway, CP Rail)
Large Diameter Inspection	~6 – 10 Kms including 2 Insertion/Extraction Chamber to be installed
Lateral CCTV	Typically aim for ~700 – 1000 per year
Lateral Lining	Typically aim for ~350 – 450 per year
Sewer main CCTV	Typically aim for ~80 – 100 Kms each year
Sewer main Lining	Typically aim for ~10 – 15 Kms each year
Large Valve Replacement	2 valves to be replaced, and 2 valves to be evaluated for feasibility.
Culvert CCTV <3m	Vary year over year. Only CCTV within capital project limits
Culvert Lining (ad hoc, no program in place)	Typically aim for ~1 – 2 per year based on Transportation priorities
Outfall Inspection / Rehabilitation	~5-10 per year, Church St currently in design stage – 2025 anticipated tender year
Special Projects (In-House Design / Construction)	90" Leak Repair / Queenston Storm Sewer / Mountain Industrial Trunk Sewer / PD13 Watermain Rehabilitation / Church St Outfall Rehabilitation



LRT



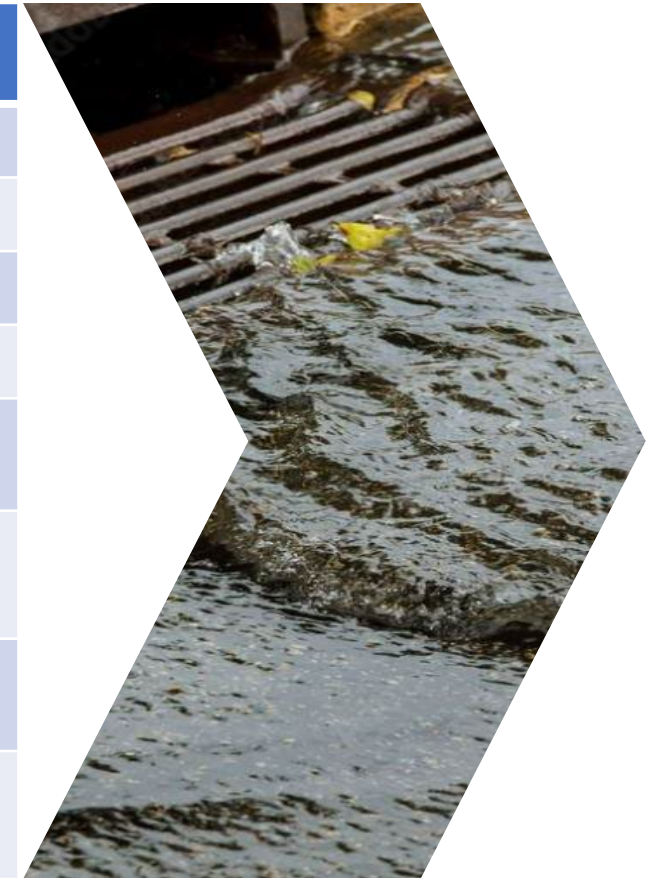
2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget MULTI-YEAR OUTLOOK

- Full water and sewer replacement along LRT corridor
- **Early/enabling works (6 projects):**
 - Sherman Ave. (King St. to Cumberland Ave.) – Complete
 - Wentworth St. (King St. to Wilson St.) – Complete in 2024
 - Nash Rd. @ Queenston Rd. – Completion in spring 2025
 - Wilson St. (Wentworth St. to Sherman Ave.) – 2025 construction
 - Main St. (Delena Ave. to Rosewood Ave) – 2025 to 2026 construction
 - Main St. @ Ottawa St. – 2025 to 2026 construction



Sewer Separation and CSO Reductions

Study	Timeline
Managed Sewer Separation EAs:	
West End Sewer Separation and New Outfalls	RFP in development
Red Hill Sewer Separation and New Outfalls	RFP in development
Ainslie Wood Creek Separation	Complete
Wet Weather Master Plan	0-3 years
Hamilton Harbour Sewer Separation and New Outfalls	3-5 years
Interceptor Feasibility Study EA	5-10 years (TBC by Master Plan)
Scope Capacity Assessment of North Mountain Area	5-10 years





Harmful Algal Bloom Strategy

- Response to significant bloom event in summer 2024
- Information Report to Public Works Committee (December 2, 2024)
 - Existing levels of service, consultation with City staff and experts from academia, all levels of government, RBG, HCA, BARC, marinas
 - Consensus on five mitigative options that will be investigated further in 2025
 - Capital Detail Sheet created for future outcomes, cost-sharing opportunities





MULTI-YEAR OUTLOOK

Optimization projects

- **Corrosion Control Program** – Results has been very successful, lead levels in the distribution system have declined, moving to a maintenance dosage
- **WTP Coagulation** – Investigating alternatives to enhance sedimentation while minimizing aluminum residuals
- **WWTP Secondary Effluent** – on-going investigation to improve quality of wastewater entering the Tertiary Treatment Facility

Water Quality Improvements

- Continued optimization of summer operating strategies coupled with infrastructure upgrades to improve distribution water quality and increase climate change resiliency





Stormwater Fee Implementation

- \$56M annual expenditure on stormwater and drainage services
- Stormwater Fee will provide a stable and equitable funding source for stormwater infrastructure as well as support the City's Watershed Action Plan
- Incentive programs will be finalized in 2025 for reductions in stormwater runoff and improvements to stormwater quality, green space credits, and direct discharges to Hamilton Harbour
- Stormwater Rate Incentive Program Development & Staffing
 - ICI, Agricultural, Multi-Res Incentive Program
 - Residential Rebate Program (Green Venture)
- Stormwater fee will be in effect as of **April 1, 2026**





MULTI-YEAR OUTLOOK

Utility Billing Transition

Workstream	Summary / Status
Customer Information System	SpryPoint CIS software procured, go-live target date of November 2025
Contact Centre	Vendor (Optima) onboarded
Bill Print	Vendor (Data Direct) onboarded
Customer Portal	SpryEngage platform secured, bundled with SpryPoint Customer Information System
Meter Reading	Contract nearing finalization with vendor (Olameter), PO preparation underway

- Estimated “Go Live” date – **Q4 2025**
- \$7.7M budget up until Go Live date
- SPM Utility Billing hired
- Director, Revenue Services hired

2025 BUDGET

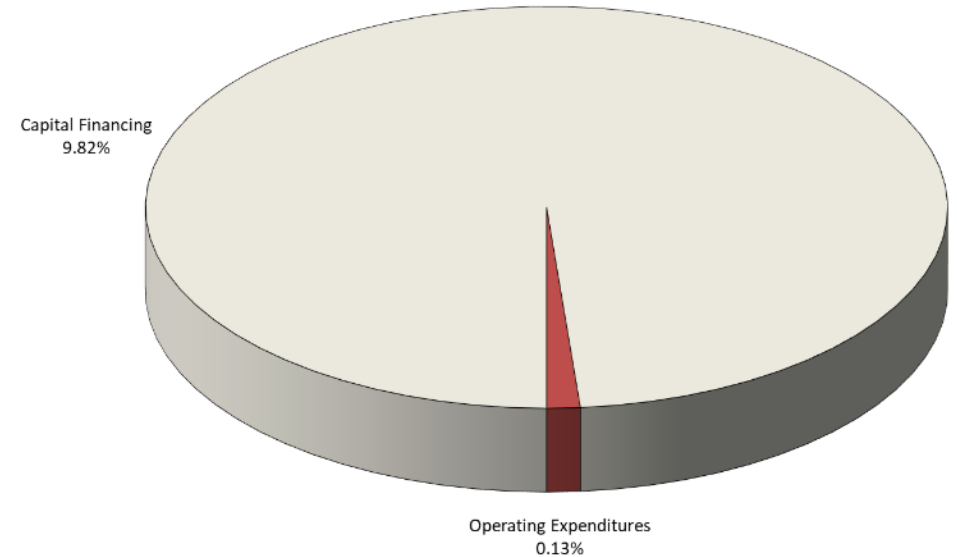


2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
2025 RECOMMENDED RATE SUPPORTED BUDGET

Planned Rate Revenue (Average Residential) increase is currently set at **9.95%**

- Recommended 2025 **operating budget of \$121.5M** (0.01% increase from last year’s 2025 forecast)
- Recommended 2025 **capital budget of \$315M** (gross, **16% decrease** from 2024 rate budget forecast for 2025)
- Total increase to 10-year capital expenditures of **\$382M** compared to 2024 rate budget
- Recommended **9** new FTEs which align with Term of Council priorities and Mayoral Directive to Staff (MDI-2024-03) on the 2025 Budget Process (October 28, 2024)

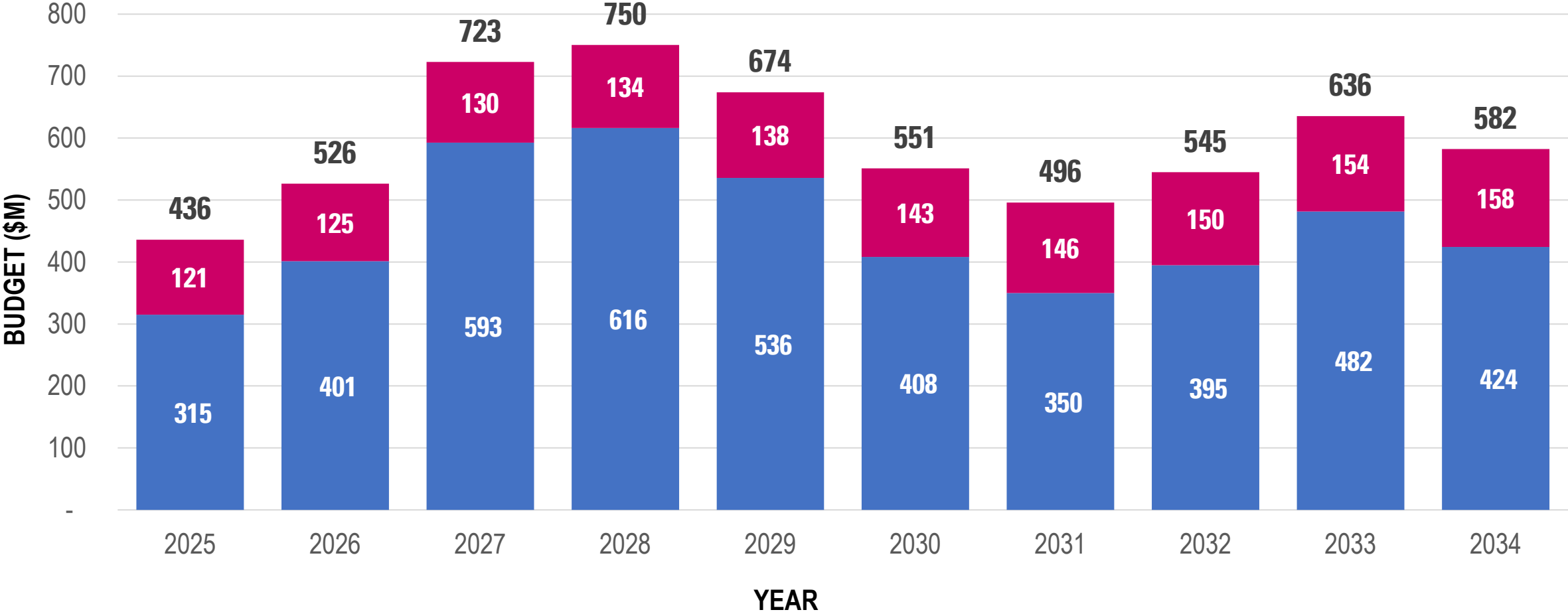
Drivers of 9.95% Rate Increase



2025 Projected Average Rate Impact		
	\$	%
Operating Expenditures	\$1.26	0.13%
Capital Financing	\$94.84	9.82%
Average Residential Impact	\$96.10	9.95%

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget 10 YEAR COMBINED RATE BUDGET FORECAST

- 2025 Recommended Operating Budget Forecast
- 2025 Recommended Capital Budget Forecast (Gross)





OPERATING BUDGET

2025 OPERATING BUDGET OVERVIEW

2024 Council Approved Budget (net of Capital Recoveries)	\$121,112,440	
2025 Maintenance Budget Increases	\$3,747,665	3.1%
2025 New FTE Requests *	\$288,284	0.2%
2025 New FTE Requests - PW22078(a) Woodward WTP Phase 2 Upgrades	\$333,706	0.3%
2025 New FTE Request - Tax Levy *	\$133,500	0.1%
2025 Service Level / Budget Enhancements	\$555,000	0.5%
2025 Budget Efficiencies & Savings	(4,671,668)	-3.9%
2025 Requested Budget Increase	\$386,487	0.3%
2025 Requested Operating Budget (net of Capital Recoveries)	\$121,498,926	

Note:

* New FTE Requests are net of Capital Recoveries

- The 2025 Operating Budget was forecasted to be \$121.49M as part of the 2024 Budget Process
- The Change Between the 2025 Budget Request and the 2025 “Plan” is \$13K or 0.1%
- 2025 FTE Recommendations Account for \$622K of the Operating Budget Enhancements

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
MAINTENANCE BUDGET DRIVERS

Cost Category	Budget Driver	Budget Impact \$000s	% of Total Impact
Employee Related Costs	CBA Salaries & Benefits Increases	\$1,571	41.9%
Facility Pressures	Hydro	\$330	8.8%
	Natural Gas	\$206	5.5%
	Other (Property Taxes, Water & Sewer, Telephone)	\$266	7.1%
Contractual Pressures	Fluids & Chemicals	\$520	13.9%
	Biosolids Contract	\$79	2.1%
	Computer Maintenance Contract	\$120	3.2%
Vehicle Expenses	Unleaded & Diesel Fuel	\$103	2.7%
Cost Allocations	Corporate Cost Allocations	\$552	14.7%
Total		\$3,747	100.0%

SUMMARY

Cost Category	Budget Impact (\$000s)	% of Total Impact
Employee Related Costs	\$1,571	41.9%
Facility Pressures	\$802	21.4%
Contractual Pressures	\$719	19.2%
Vehicle Expenses	\$103	2.7%
Cost Allocations	\$553	14.7%
Total Impact	\$3,747	100%

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
SERVICE LEVEL / BUDGET ENHANCEMENTS

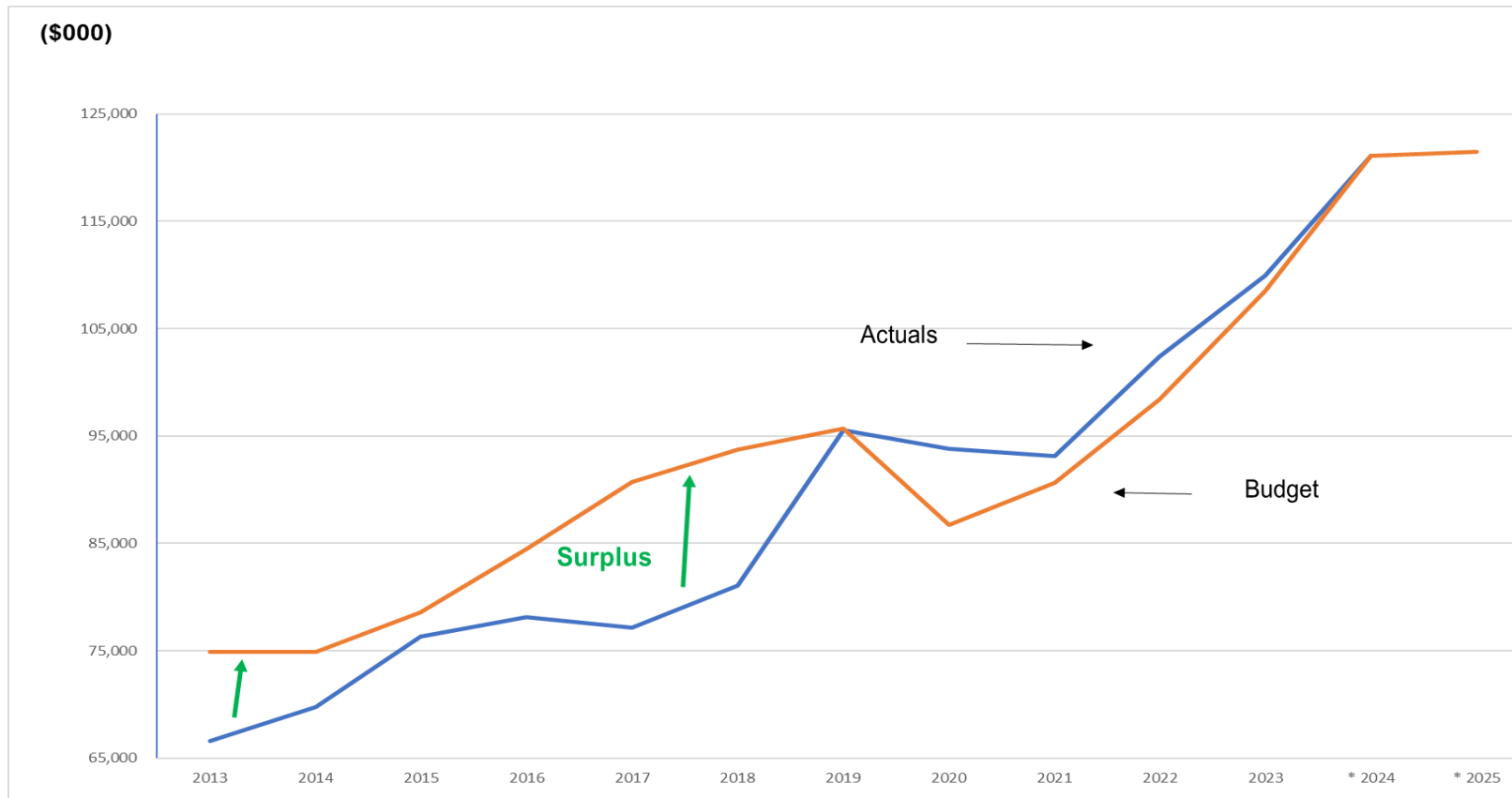
Cost Category	Budget Driver	Budget Impact \$000s	% of Total Impact
Employee Related Costs	PW22078(a) Woodward WTP - [3.0 FTEs]	\$334	25.5%
	New FTEs (2025 Budget) - [6.0 FTEs]	\$288	22.0%
	Tax Levy Funded Positions - [3.0 FTEs]	\$134	10.2%
Facility Pressures	HVAC Maintenance & Repair	\$50	3.8%
	Binbrook Odour Control - SPS Wetwell Cleaning	\$330	25.2%
Materials & Supplies / Consulting	Operating Supplies	\$125	9.5%
	OHS/Compliance/Internal Auditing Consulting	\$50	3.8%
Total		\$1,311	100%

Cost Category	Budget Driver	Budget Impact \$000s	% of Total Impact
Budget Efficiencies /Realignment	In-House Locates Office	(\$3,457)	74.0%
	Budget Realignment	(\$1,215)	26.0%
Total		(\$4,672)	100%



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget RATE OPERATING BUDGET VARIANCE HISTORY

(NET OF CAPITAL RECOVERIES)



(\$000)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Budget	\$ 74,890	\$ 74,879	\$ 78,602	\$ 84,433	\$ 90,687	\$ 93,738	\$ 95,724	\$ 86,720	\$ 90,652	\$ 98,411	\$ 108,512	\$ 121,113	\$ 121,499
Actuals	\$ 66,595	\$ 69,799	\$ 76,343	\$ 78,162	\$ 77,162	\$ 81,076	\$ 95,539	\$ 93,842	\$ 92,696	\$ 102,404	\$ 109,907	\$ 121,113	\$ -
Variance \$	\$ 8,295	\$ 5,080	\$ 2,259	\$ 6,271	\$ 13,525	\$ 12,662	\$ 185	\$ (7,122)	\$ (2,044)	\$ (3,993)	\$ (1,395)	\$ -	\$ -
Variance %	11.1%	6.8%	2.9%	7.4%	14.9%	13.5%	0.2%	(8.2%)	(2.3%)	(4.1%)	(1.3%)	-	-

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
OPERATING BUDGET – USER FEE CHANGES

Section	Item	2024 Fee (\$)	2025 Fee (\$)	% Change
Water Distribution	Private Water Service Repair/Replacement Inspection (Reg Hours - Min. 1 Hour Total Labour) - Contract Inspector	\$105.98	\$113.32	6.9%
Water Distribution	Private Water Service Repair/Replacement Inspection (Missed Calls)	\$75.34	\$80.41	6.73%
Laboratory Services	Total Dissolved Solids	\$35.70	\$38.70	8.4%
Laboratory Services	Phenolics	\$39.50	\$42.60	7.85%
Laboratory Services	pH	\$19.40	\$21.10	8.8%
Laboratory Services	Alkalinity	\$19.90	\$21.60	8.54%
Laboratory Services	Conductivity	\$19.20	\$21.00	9.4%
Laboratory Services	Fluoride	\$27.20	\$29.30	7.72%
Laboratory Services	Turbidity	\$30.60	\$32.80	7.2%
Laboratory Services	Total Phosphorous	\$29.00	\$31.40	8.28%
Laboratory Services	Total Dissolved Phosphorous	\$30.10	\$32.50	8.0%
Laboratory Services	Caffeine	\$150.30	\$164.30	9.31%

User Fee Increases \geq 3x Inflation Rate (2.3%)

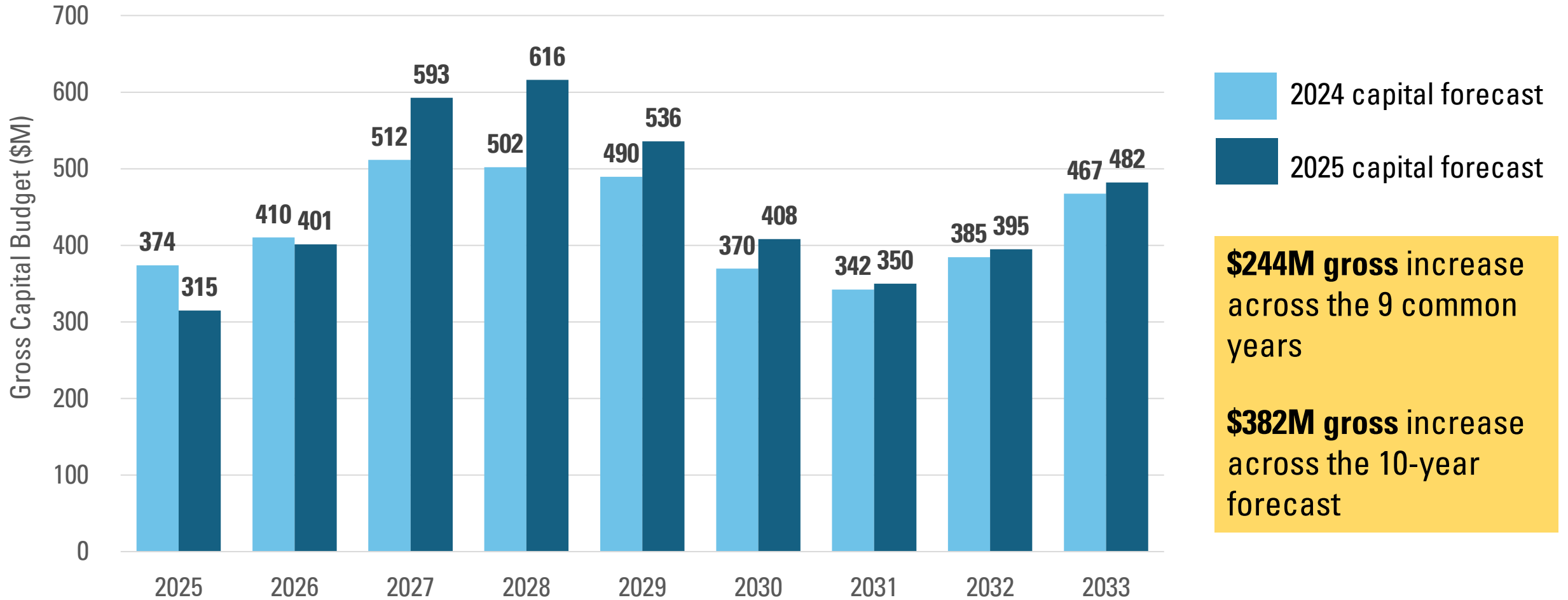
2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
OPERATING BUDGET – NEW FEES

Section	New Fees	2025 Fee (\$)
Laboratory Services	O Phosphate (Skalar)	\$35.20
Laboratory Services	Dissolved O Phosphate (Skalar)	\$36.20
Utility Billing	New Account Setup Fee - Per New Account	\$75.00
Utility Billing	Ownership / Occupancy Change Fee - Per Account	\$35.00
Utility Billing	Bill Reprint - Per Print	\$15.00
Utility Billing	Statement Of Account - Per Account	\$30.00
Utility Billing	Reminder Notice - Printed Notices Only	\$5.00
Utility Billing	Utility Certificate	\$65.00
Utility Billing	24 Hour Rush - Utility Certificate	\$80.00
Utility Billing	Annual Water Consumption Statement	\$45.00

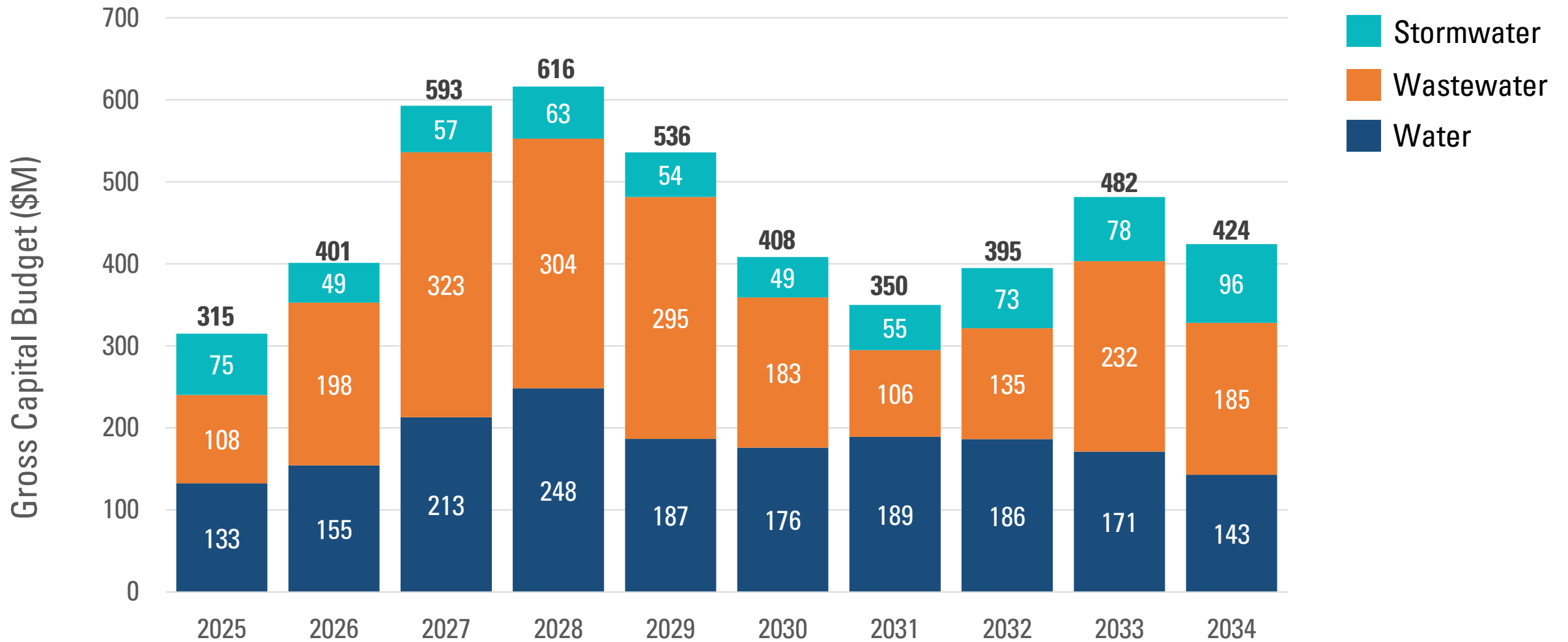


CAPITAL BUDGET

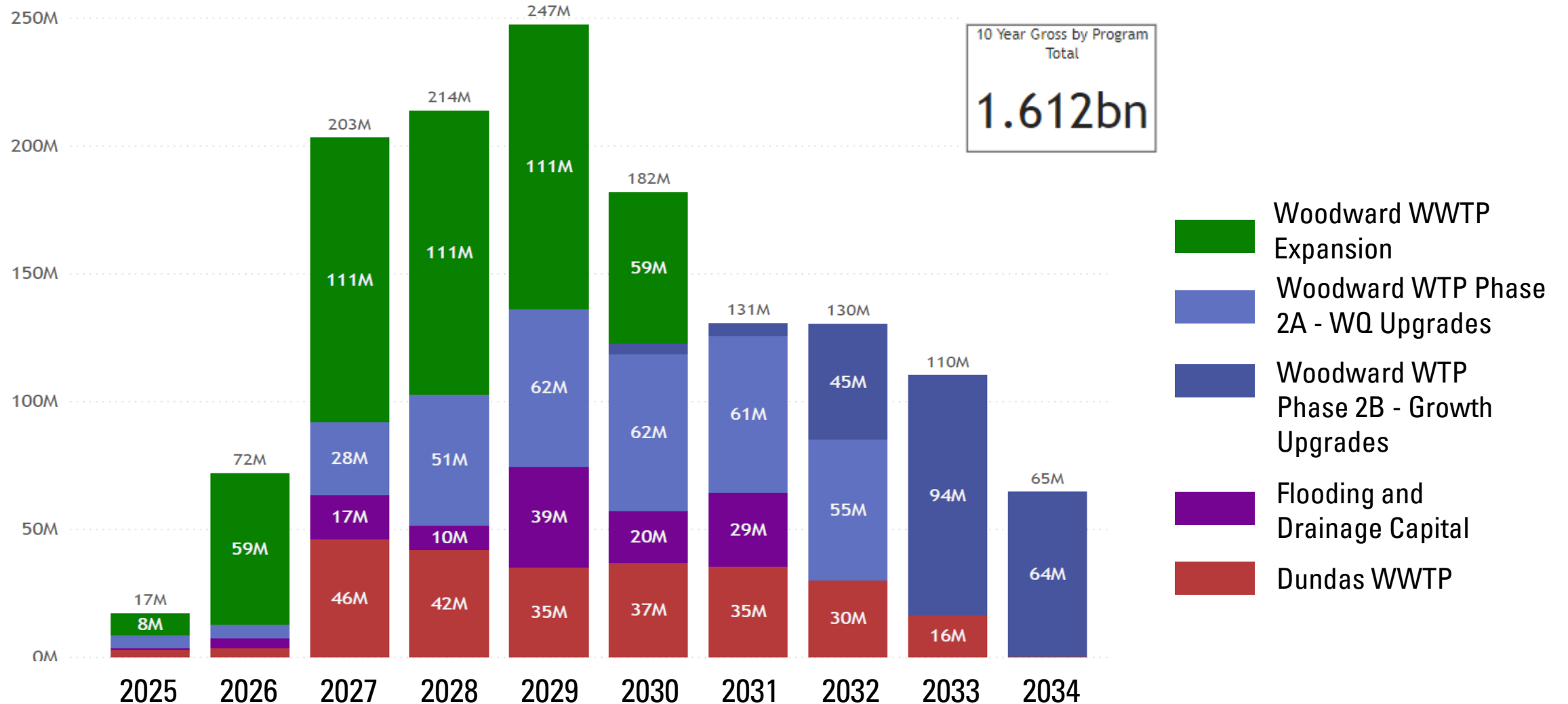
PROPOSED CAPITAL 10 YEAR FORECAST – 2024 vs 2025



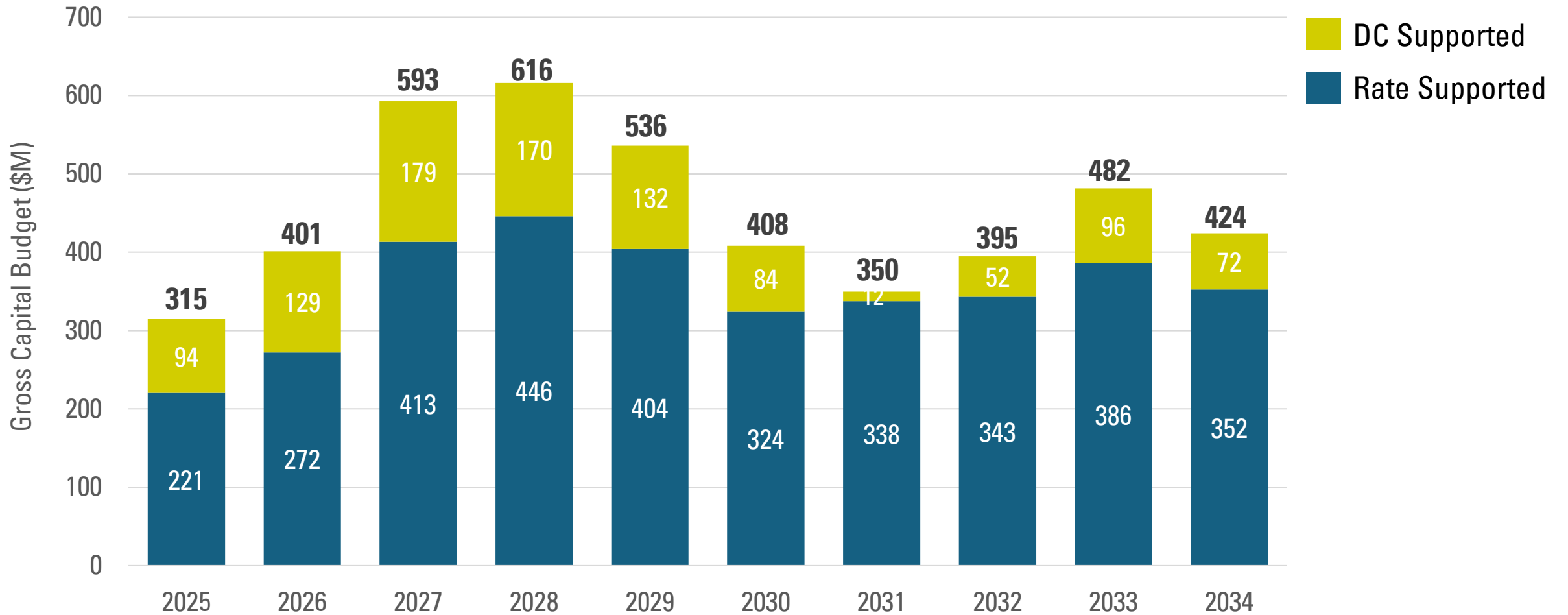
2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget 10 YEAR CAPITAL – BY SYSTEM



2025 CAPITAL BUDGET – LARGE PROJECT 10 YEAR FORECAST (GROSS)



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
10 YEAR CAPITAL FORECAST – DC vs RATE SUPPORTED



PRESSURES/RISKS NOT IN BUDGET

- Flooding and Drainage Improvement Framework EA outcomes
- Potential for Development Charge Exemptions & Unknown Growth Pressures
- Water, Wastewater & Stormwater Master Plan Update outcomes
- Global Chlorination Study outcomes - water distribution system nitrification prevention and disinfection enhancement





FTE BUSINESS CASES

FTE BUSINESS CASES

SECTION	Last Year's 2025 Forecast	Current 2025 Request
Woodward Upgrades	0	0
Watershed Management	0	0
Director's Office	0	0
Compliance & Regulations	2	1
Project Management Office	0	0
Capital Delivery	0	1
Water & Wastewater Systems Planning	2	3
Plant Maintenance & Technical Services	0	3
Plant Operations	0	1
Customer Service & Community Outreach	4	0
Water Distribution & Wastewater Collection	0	0
TOTALS	8	9

- Laboratory Technician (1)
- Asset Management Technologist (1)
- Project Manager - Modelling (1)
Technologist – Modelling (1)
SPM – LRT (1)
- Supervisor – Maintenance (1)
Project Manager – SCADA (2)
- Senior Process Engineer (1)

Additional 3 rate-funded FTE requests within Levy Programs:

- 1 Senior Project Manager and 1 Project Manager - Engineering Services (Ravines and Watercourses)
- 1 Social Media and Marketing Coordinator – City Manager's Office (Communications and Strategic Initiatives)

FTE BUSINESS CASES



- **Laboratory Technician**

- Increased staffing needs required as sample volume has increased 30% since 2018
- Additional samples to support program expansions in Surface Water Quality Program & Industrial/Commercial/Institutional monitoring
- Approval will reduce overtime costs from other Laboratory staff and supervisors

FTE BUSINESS CASES

- **1 Asset Management Technologist** - support Enterprise Asset Management implementation, reduce use of external consultants, develop new procedures, improve asset condition data quality
- **1 Project Manager – Modelling** - support Hamilton's growth and development, manage expedited review times, reduce consulting assignments for development review, improve reliability and support regulatory reporting requirements
- **1 Technologist – Modelling** - Implement coordinated rainfall and flow monitoring program, provide the development community with expedited information on system capacity
- **1 Senior Project Manager - LRT – (net-zero budget impact, funded by Metrolinx)** - support and deliver planning studies related to subsurface design, construction, infrastructure enhancements



- **Project Manager - SCADA (Cybersecurity)** – improving system security to defend against future cybersecurity attacks
- **Project Manager – SCADA (Capital Support)** – critical role to support the Woodward WTP Phase 2, Woodward WWTP Phase 2, and Dundas WWTP Upgrades Projects
- **Supervisor – Plant Maintenance** – critical role to support the Woodward WTP Phase 2, Woodward WWTP Phase 2, and Dundas WWTP Upgrades Projects
- **Senior Process Engineer** - critical role to support the Woodward WTP Phase 2, Woodward WWTP Phase 2, and Dundas WWTP Upgrades Projects



FTE BUSINESS CASES

New Capital Program - Ravines and Watercourses

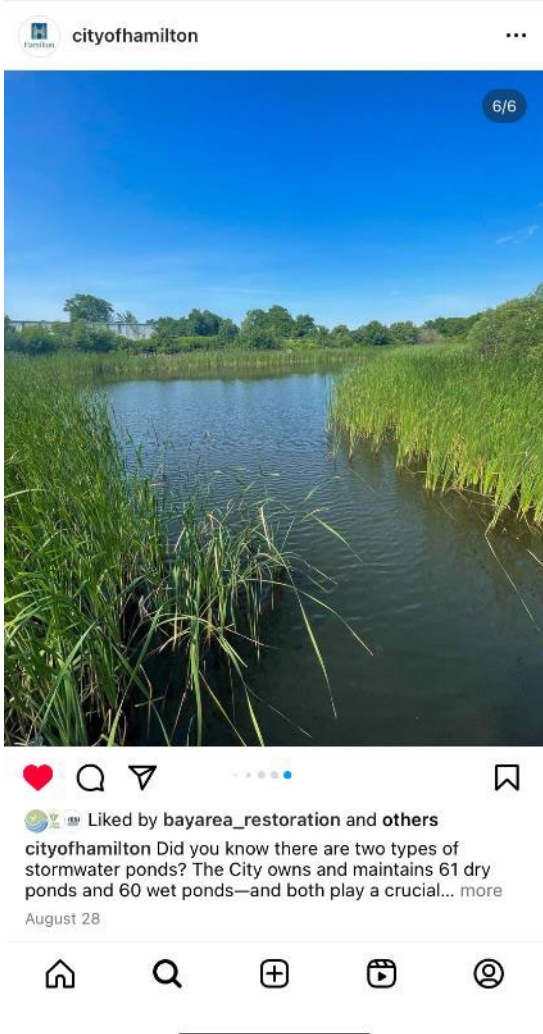
1 Senior Project Manager (Engineering Services)

1 Project Manager (Engineering Services)

- Creating a team responsible for asset management of naturalized stormwater assets including stormwater management facilities, ravines, watercourses, municipal drains, and shorelines
- Responsive to program gaps identified in Report PW21074, December 6, 2021



2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget FTE BUSINESS CASES



Social Media & Marketing Coordinator

- Our City Survey results indicated “fair” or “poor” wastewater and stormwater services
- Building trust and accountability by investing in storytelling
- Increased public engagement
- Socializing "invisible" infrastructure

2025-2029 FTE FORECAST

SECTION	Last Year's 2025 Forecast	Current 2025 Request	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast
Woodward Upgrades	0	0	0	0	0	0
Watershed Management	0	0	1	0	1	0
Director's Office	0	0	0	0	1	0
Compliance & Regulations	2	1	1	2	1	0
Project Management Office	0	0	0	0	0	0
Capital Delivery	0	1	0	0	0	0
Water & Wastewater Systems Planning	2	3	1	1	1	0
Plant Maintenance & Technical Services	0	3	2	1	0	3
Plant Operations	0	1	0	1	1	0
Customer Service & Community Outreach	4	0	1	1	2	0
Water Distribution & Wastewater Collection	0	0	0	1	1	2
TOTALS	8	9	6	7	8	5

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget
FEDERAL/PROVINCIAL FUNDING



- **Infrastructure Canada** – Disaster Mitigation and Adaptation Fund – Churchill Park Community Flooding Remediation Project (Ward 1) - **\$6M** funding awarded



- **Ontario Ministry of Infrastructure** - Housing-Enabling Water Systems Fund – Downtown Watermain Upgrades (Wards 1&2) - **\$9.4M** funding awarded

2025 Preliminary Water, Wastewater and Stormwater Rate Supported Budget

GOVERNMENT ADVOCACY



- Robust intergovernmental relations strategy throughout 2024
- Multiple discussions including:
 - Prime Minister's Office & Parliamentary Secretary/Special Advisor on Water
 - Canada Water Agency
 - Federal Minister of Housing, Infrastructure, and Communities
 - Infrastructure Canada
 - Infrastructure Ontario
 - Canada Infrastructure Bank
- Advocacy at ROMA, AMO and FCM

THANK YOU