



## Halifax Harbour Bridges Business Plan for Fiscal 2022-2023

### Message from the Chair of the Board and CEO

We are pleased to present the 2022 - 2023 business plan for Halifax Harbour Bridges (HHB).

The Angus L Macdonald (ALM) and A. Murray MacKay (AMM) Bridges are critical pieces of infrastructure in the Halifax Regional Municipality and Nova Scotia facilitating 30 million+ crossings each year. As they reach their mid-life, they will require increasing amounts of attention in the years ahead.

With the Nova Scotia Utility and Review Board (NSURB) approving a toll increase that took effect Jan. 4, 2022, HHB will continue to operationalize a 10-year \$280 million capital and maintenance plan designed to assure safe and efficient cross harbour transportation.

As 100 per cent of the revenue generated by collecting tolls is dedicated to the maintenance and operations of the bridges, HHB will continue to ensure that revenue is invested responsibly to make certain the bridges are reliable and well maintained. Planned activity for the year (detailed later in the business plan) will top \$49 million in crucial spending.

The ongoing pandemic continues to impact the number of crossings on the bridges and corresponding toll revenue. After a 24 per cent drop in traffic volumes last year, traffic had returned to 95 per cent of normal levels by November 2021, but dropped again with the emergence of the Omicron variant and government guidance to minimize movement or travel to help stop the spread. We project that traffic volumes will not return to pre-pandemic volumes until 2024.

Early in the next fiscal year, HHB expects to see the results of an economic impact study that will help the organization understand the importance of the bridges, ramifications of closures, and inform the decision making process for the redecking or replacement of the MacKay Bridge.

Steve Snider, HHB General Manager & CEO for the last 27 years, will retire in early 2022. A search for his successor is underway. Thankfully, the new CEO will be able to depend on the guidance of a seasoned executive team and an engaged Board.

Safety will continue to be an important focus for HHB, and as we work to meet newly minted strategic goals and objectives, we will also raise the profile of our EDI, environmental, and innovation initiatives

Respectfully submitted

A handwritten signature in black ink, appearing to read 'Vicki Harnish'.

Vicki Harnish  
Chair of the Board of Commissioners

A handwritten signature in black ink, appearing to read 'Steve Snider'.

Steve Snider  
General Manager and CEO

## Key Priorities

In 2020, HHB identified four strategic goals to help guide the organization. In late 2021 following months of COVID and the Nova Scotia Utility and Review Board (NSURAB) approval of the first toll increase in a decade, the organization revisited and [updated the goals](#). We present our major 2022-23 initiatives around those five refreshed strategic goals

### Improve safety, efficiency, and environmental stewardship in operations and maintenance

#### 2022-23 Initiatives

##### Macdonald Bridge

- Replacement of 60-year-old bearings on approaches
- Rehabilitation of concrete piers. Inspections have recommended the exterior of most bridge piers be replaced with high performance concrete. All pier work to be completed by 2024.
- Steel repair and painting: Main towers
- Bikeway resurfacing

##### MacKay Bridge

- Rehabilitation of concrete piers. Inspections have recommended the exterior of most bridge piers be replaced with high performance concrete. This is part of a 20-year program scheduled for completion in 2036.
- Main cable inspection and dehumidification
- Expansion joint replacement (Approach spans)

#### *These engineering projects protect the structural integrity of the bridges and extend their lifespan*

- Installation of dedicated traffic cameras: one on ALM, two on AMM
- Work in co-operation with HRM on traffic analysis for improved traffic flow
- Secure/harden AMM perimeter
- Restore and upgrade unified communications across both bridges to reduce operations reliance on often unreliable wi-fi. The move is expected to reduce IT service calls by 80 per cent and allow for the addition of new devices and solutions to meet HHB business needs for the next decade.

### Provide customer value through seamless, reliable and safe bridge crossings

#### 2022-23 Initiatives

- Develop retail transponder kits for easier customer access to MACPASS transponders
- Execute the preliminary studies required to determine a path forward on redecking or replacing the MacKay Bridge
- Convert customers using older hard-shell MACPASS transponder technology to new more efficient sticker transponders. Sticker transponders are more cost efficient with fewer failures at the toll plazas

## **Demonstrate financial sustainability**

### **2022-23 Initiatives**

- Introduce a comprehensive bridge wash program to help extend the life of the bridge.
- Expand long-term debt positioning to support capital works
- Undertake real estate review with a focus on staffing, environmental and sustainability considerations, and the implications of next generation tolling and the future of the MacKay Bridge
- Implement additional internal technology training to meet business requirements

## **Foster a workplace where employees thrive**

### **2022-23 Initiatives**

- Implement a new Human Resources Information System (HRIS)
- Grow the existing Equity, Diversity and Inclusion (EDI) program
- Revise the Employee Handbook

## **Expand our culture and practice of innovation**

### **2022-23 Initiatives**

- Deploy the next-generation Tolling Back Office System to permit a modern self-service portal, advanced analytics, improved communication options and the ability to rapidly integrate additional services.
- Upgrading weather stations for improved analysis and response
- Next step preparations for next generation tolling
- Development of high-level, visual plan outlining HHB's technology strategy
- Continue to enhance disaster recovery and cyber security management plans
- Replace existing fleet with electric vehicles or other sustainable options when appropriate
- Explore net zero, wind, and solar options for our buildings

## **How we measure performance**

To measure HHB's performance against its priorities planned for the coming fiscal year, HHB plans to undertake the following:

- Rate customer satisfaction through surveys for maintenance, safety, service, and value for tolls paid.
- Measure maintenance performance by comparing completed repair projects in the current year against the high and medium priority repair items identified in inspection reports.
- Use road traffic statistics to measure the effectiveness of enhanced operational activities.
- Measure financial results against annual operating and capital budgets.
- Measure the extent to which priority projects have advanced.

## Financial Summary

	<b>2021-2022 Budget</b>	<b>2021-2022 Forecast</b>	<b>2022-2023 Budget</b>
<b>Revenue</b>	(\$thousands)	(\$thousands)	(\$thousands)
Toll revenue	30,099	29,044	37,303
Interest income	157	168	241
Other income	319	491	328
<b>Total revenue</b>	<b>30,575</b>	<b>29,703</b>	<b>37,872</b>
<b>Expenses</b>			
Administration	3,123	2,942	3,427
Operating	4,904	4,801	5,245
Maintenance	3,761	3,659	4,886
Amortization	9,258	9,572	10,379
Debt servicing	4,089	4,089	5,459
Loss (profit) on disposal of property, plant & equip.	-	-	-
<b>Total expenses</b>	<b>25,135</b>	<b>25,063</b>	<b>29,396</b>
<b>Net operating and comprehensive income</b>	<b>5,440</b>	<b>4,640</b>	<b>8,476</b>