COUNCIL OF THE CITY OF WINNIPEG
Tuesday February 21, 2006

The Council met at 9:30 a.m.

The Clerk advised the Speaker that a quorum was present.

The Speaker called the special meeting to order.

The opening prayer was read by Councillor O'Shaughnessy.

ROLL CALL

Clerk: Mr. Speaker Councillor Eadie, His Worship Mayor Katz, Councillors O'Shaughnessy, Benham, Clement, De Smedt, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt.

Mr. Speaker: Could I have the notice calling the special meeting read please.

Clerk: *Pursuant to Section 79(1) of The City of Winnipeg Charter, the City Clerk is directed by His Worship Mayor Katz to arrange a Special Meeting of Council on Tuesday, February 21, 2006, at 9:30 a.m., to consider the 2006 Annual Capital Budget and the 2007 to 2011 Five-Year Capital Forecast.*

Richard Kachur
City Clerk

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: We have no Pages with us this morning for this meeting.

Before we proceed to any other business, I would like to acknowledge the presence at the back of the chamber here on my right, of our Chief Financial Officer Bob Gannon. This is his last Budget meeting of City Council before he retires at the beginning of March. So Bob it is nice to see you here this morning and I think all of my colleagues join me in wishing you all the best in your retirement from City service. And we'll try to make today's meeting easy on you.

MOTIONS

Mr. Speaker: I have a leave of absence motion I'd like to deal with before we proceed.

Motion
Moved by Councillor O'Shaughnessy,
Seconded by Councillor Pagtakhan,

That Councillor Lazarenko be granted a leave of absence from the Council meeting today due to absence on City business.

All in favour? Opposed? That's Carried.

DELEGATIONS

Mr. Speaker: We have one delegation on the Capital Budget this morning, Emily Ternette, on behalf of Nick Ternette.

Mrs. Emily Ternette: Thank you for indulging me this morning. Nick couldn't be here so he wanted me to give his presentation in his absence.

Mr. Speaker, Mayor Katz and members of City Council. As I indicated to the Standing Policy Committee on Infrastructure Renewal and Public Works, as well as the Executive Policy Committee, I do think that the pre-budget process stinks.

Since 1992 when Susan Thompson first became Mayor of Winnipeg pre-budget consultations were the in-thing. These consultations ranged from one day seminars at the Convention Centre, held by the City administration whereby interest groups and interested individuals developed priorities for the upcoming Capital and Operating Budgets, to six different community meetings held by Mayor Murray, all in an attempt to provide citizen participation in the Budget process.

In fact the Provincial government has a task force throughout the Province asking what citizens want to see in the upcoming Provincial Budget. But citizen participation seems to be non-existent at City Hall these days. The less we are involved the better.

We must give some kudos to Mayor Katz and the Transit department for injecting $142 million dollars for Transit upgrades over the next six years. However, it is to be noted that there is actually no increase in the City's share of the Capital Budget related to Transit upgrades. All of the increased monies are coming from increased Provincial grants and Federal government, 10% of Winnipeg's share of the gas tax money and Bill C66 Government of Canada monies specific to transportation.

I think that there is an impression being left that 160 new buses, 20 articulated electric hybrid buses, within the next six years, when in fact they will replace 180 old buses which will be taken out of service, 30 per year. Transit has been doing this for the past number of years in the Capital Budget regardless of whether there is Provincial or Federal money for Transit upgrades.

I don't believe that these new 20 articulated buses are sexy. In fact North End resident Howard Labut is right on when he expressed concerns about how well the middle part of the bus would hold up in the winter. During a snowstorm in Ottawa recently, 54 of these buses slipped on ice and jack-knifed across the road blocking traffic for hours.

Just want to make note of the articles that I photocopied for you. The first one "Articulated Buses Downside Revealed" is about that incident in Ottawa. The second article, Nick wanted you to take a good look at the photograph in the article that says "City's public transit project dwarfed by capital's plan". Anyway, he wanted you to take a look at the photo because if we are not going to have a BRT, you'll notice that there are two doors on either side of the bus, of these articulated buses, and one would open out onto the street if it isn't going to be a BRT with a station, then that door would open out into the street. It wouldn't open up. There is another door that would open out on the sidewalk but why bother?

So, he also wanted to say that the City should be, you know, considering electric transit. You know the electrical. So, because we have it and it's cheaper than gas and whatever. Anyway, I hope that's clear.

In regards to the Capital Budget related to Transit overall there are significant technological improvements over the next six years. This includes but is not limited to: bus radio system replacement with ABL enhancement, which will allow bus drivers to communicate with each other about their locations, et cetera; electronic fare boxes will replace existing fare boxes; automatic transfer dispensing equipment as well as the introduction of smart cards like Interac, you will be able to pay bus fares without cash; new bus stop upgrades; real-time schedule information including website upgrades; electronic bus departure displays; onboard next stop displays including enunciations for the visually impaired; onboard cameras for every bus and 35 new heated bus shelters. Nick had a question about vandalism and the upkeep of these bus shelters and that this issue needs to be addressed in the Operating Budget as well.

So what does this really mean for Winnipeggers? Is technological innovation a way of compensating for the 21% cut in buses and routes since 1986? Will these improvements significantly increase ridership? No one knows. But ultimately what the Capital Budget for 2006 to 2011 really means is no more buses then before, no more routes and no significantly improved service. As Councillor Wyatt wondered, is this what we would call a major investment in Transit? Thank you.

Mr. Speaker: Thank you very much. No questions? Thank you very much.

Okay, we proceed to the report of the Executive Policy Committee. Mayor Katz, do you wish to introduce the Capital Budget please.

**REPORT OF THE EXECUTIVE POLICY COMMITTEE
DATED FEBRUARY 15, 2006**

Mayor Katz: Thank you Mr. Speaker. I would very much like to introduce it and I believe a Budget is all about focusing on priorities and trying to take all the concerns and all the issues into consideration which is not an easy task.

There is absolutely no doubt in my mind what our priorities are – our roads and our bridges, which is why the gas tax monies are going to our roads and bridges; $42 million dollars in road maintenance, up 110%; $72 million dollars in both Budgets for 2006 for roads and bridges. We are also looking at $12 million dollars, new dollars, going to regional streets which are priorities for commuters and Transit as they carry 80% of the traffic. We are also looking at P-3 models for new arterial roads, for example a project such as Chief Peguis. We've also addressed modernizing our Transit, which as I said in the past Mr. Speaker, is a good start; $142 million over five years. Early spending will be focused on on-street changes to basically build ridership.

We've also taken into consideration Mr. Speaker, funding for other important social projects; Housing and Homelessness Initiative of $1 million dollars; riverbanks $1 million annually; monies for access, bike paths and playgrounds as well; $12 million dollars for recreation centres and sports facilities this year, as well as looking at options of P-3's for our Police stations.

You can never do everything perfectly Mr. Speaker but you certainly can try and address all of the issues and make a good start and I believe this is a very good Budget. I thank EPC for their contribution, which was major. I certainly thank all Councillors who played a valuable role and giving me input and also of course the administration for the role that they played Mr. Speaker. Thank you.

Mr. Speaker: Thank you Mayor Katz.

Mr. Speaker: We have two motions that have been tabled on items 1 and 2 as amendments. They don't actually affect the bottom-line of the Capital Budget. They are more policy statements and they are repeats of statements that Council has already approved in previous years. But with, you can only have one amendment at a time on the floor, but with your indulgence I'm going to allow both of them to be introduced at the same time and so that they can be dealt with together.

Councillor Clement: Do you just not call notice?

Mr. Speaker: Not on a special, no. they could be, they could be referred but that would be a separate motion. But I'm going to ask Councillor Wyatt if he would introduce the motions, speak to both of them in one shot if he will, and then they are on the floor and then what happens afterwards is up to Council.

Councillor Wyatt do you want to introduce Motions 1 and 2 please and then…

**Motion No. 1
Moved by Councillor Wyatt,
Seconded Councillor O'Shaughnessy,**

WHEREAS the Strategic Infrastructure Reinvestment Policy (SIRP) report of 1998 estimated an overall accumulated infrastructure deficit of approximately $750 million and continuing to grow at an estimated rate of $81.7 million per year;

AND WHEREAS the SIRP report of 1998 and the SIRP Implementation Committee Report of 2000 called for more Cost Shared Programs involving the Provincial and Federal governments;

AND WHEREAS On March 28, 2003, Council adopted Report "A" – Executive Policy Committee – March 25, 2003, Item No. 1, 2003 Preliminary Capital Budget Estimates with clause No. 6 that stated "That the City continue to negotiate with the Province of Manitoba and Government of Canada for infrastructure funding";

AND WHEREAS the tri-partite infrastructure works programs have been a major benefit to our municipality

leveraging millions in Federal and Provincial dollars for infrastructure renewal;

AND WHEREAS at a presentation to the Standing Policy Committee on Public Works on September 9, 2003, the city administration estimated that a total of $161.1 million should be spent annually on Parks, Buildings, Bridges, and Roadways and that the city was annually under funding this infrastructure by $70 million;

AND WHEREAS the new revenues derived from the Federal Gas Tax funding will assist the city with infrastructure renewal but still falls short of meeting the annual infrastructure funding needs of the city and therefore fails to reduce or eliminate the current accumulated infrastructure deficit;

THEREFORE BE IT RESOLVED THAT the Item No. 1 of the February 15, 2006 Executive Policy Committee Report on the Final Recommendations – 2006 Annual Capital Budget and 2007 to 2011 Five-Year Capital Forecast be amended by adding the following clause:

"That the City actively pursue discussions and support negotiations with the Province of Manitoba and Government of Canada for a new multi-year and cost shared infrastructure works program for the purpose of funding infrastructure renewal, including the goal of fully funding our annual infrastructure renewal requirements".

Motion No. 2
Moved by Councillor Wyatt,
Seconded Councillor Gerbasi,

WHEREAS there is a need for a greater provincial government role in the funding of both the capital and current budget of the Winnipeg Transit Department;

AND WHEREAS this was identified by Council with the approval of the 2004 Annual Capital Budget – 2005 to 2009 Capital Budget Forecast, Item No. 1, Clause No. 10 which stated "That the City initiate discussions and support negotiations with the Province of Manitoba to re-instate Provincial funding in the amount of 50% to the Transit Department for a more realistic funding formula in both the capital and current budgets";

AND WHEREAS this need was again reiterated in the Final Report of the Rapid Transit Task Force, "Made in Winnipeg Rapid Transit Solution" September 2005, Item No. 7, Clause 4, Provincial Issues, which stated that "City Council negotiate with the Province to restore the historical 50% share subsidy of Transit, a higher proportion of Handi-Transit funding and dedicate a portion of the Provincial gas tax to Transit Improvements";

AND WHEREAS Provincial funding still falls short of the historical levels of 50% in either of the current or capital budgets of the Transit Department and therefore underscores the need to more actively lobby the province on this pressing matter;

THEREFORE BE IT RESOLVED that Item No. 1 of the February 15, 2006 Executive Policy Committee Report on the Final Recommendations – 2006 Annual Capital Budget and 2007 to 2011 Five –Year Capital Forecast be amended by adding the following clause:

"That the City actively pursue discussions and support negotiations with the Province of Manitoba to re-instate Provincial funding in the amount of 50% to the Transit Department for a more realistic funding formula in both the capital and current budgets".

Councillor Wyatt: Sure, that's fine, Mr. Speaker. Thank you. These are fairly straightforward motions. As you rightly noted Mr. Speaker there is no financial implication to the Capital Budget for either of these motions. They have in one way or another been part of the policy statement coming out of our Capital Budgets in the past. In some ways you know, mother and apple pie, but I think it's crucial that sometimes when it's even as obvious a statement to make, it's sometimes important just to make the statement to ensure that we know clearly

what our goal is as a Council and where we are going as a City.

And I don't want to necessarily speak too long on either of these two items. I appreciate the support of Councillor O'Shaughnessy on item no. 1 and support of Councillor Gerbasi, a member of also the Rapid Transit Task Force, on item no. 2. And I think they are pretty straightforward.

Item 1 basically calls for a renewed effort for a cost-shared infrastructure program. I think we all welcome the gas tax. Having said that we know that (in audible) of gas tax funding coming forward over the next number of years still falls short of our infrastructure needs. And in light of the fact that the Federal and Provincial governments seem to be, other then the gas tax, the Provincial government and the Federal government with regards to new funding sources, new revenues for the City, seems to be lacking at this point. Historically cost-shared if you like, tri-partite programs as an example, have successfully worked to leverage dollars out of the Province and the Federal governments into the City, and so I think that is a very straightforward and simple success story in the past and I think we should be pursuing that again for the future.

On item number 2 the funding, it's been well known, and again it was, it's been an item which has been referred to previously two years ago in the Capital Budget. I think it's important to say it again, that especially in light of the fact that there has been a significant amount of new Federal monies coming in for Transit improvements that we have to encourage the Provincial government to come to the table. This is speaking to previous reports done, that have been done by Councillors and done by Council. Councillor De Smedt is one case and wrote a recent report in 2000 and the recent *Rapid Transit Report* calling on the Province to commit again to 15% funding levels for our Transit service.

So they are pretty straightforward motions Mr. Speaker. I would encourage all of Council to support them and I think it strengthens our position. I know the Mayor has been working very hard behind the scenes on both of these items and I think it definitely strengthens his ability to go to the table and assists him to go to the table when he goes to the table with the Premier to lobby on behalf of these items that he knows he has the full support of Council as well. It's as stated in our Capital Budget. Thank you.

Mr. Speaker: Thank you. Councillor Gerbasi speaking to the clause and the amendment.

Councillor Gerbasi: Thank you. Thank you Mr. Speaker. There are definitely some positives to this Budget which I wanted to quickly go over. Of course the Winnipeg Housing and Homelessness Initiative, I was very pleased to see that it is funded, but even more pleased to see the words of support and the recognition and understanding from EPC of the benefits of investing in our inner city. And these investments in the inner city have clearly paid off and will continue to.

I would also like to take this opportunity to point out that the Mayor and EPC need to take initiative here and continue to work hard with other levels of government to look beyond the end of our agreement in 2008, and start planning for the next housing initiative to continue. This much needed investment. With a new Federal government in place it's, now is the time to start communicating the importance of housing support from the Federal government. And I point out to you that the Harper government has not appointed a Minister of Housing. They've appointed a Minister of the CMHC which is not really as broad of a thing. So I think we really need to push on that issue. So I wanted to raise that.

I want to thank EPC for support of the city-wide accessibility program. A much needed investment for retrofitting existing facilities. And also the riverbank stabilization is greatly appreciated and the increase in local improvement funding to assist residents who wish to address their home riverbank issues. And the renewed commitment to public art is a huge positive step. Winnipeg was one of the

last major cities in Canada to establish a public art program and I think it is a very positive message to continue that. Streetscaping for business improvement zones that need renewal and maintenance is also an excellent initiative in 2007. And I wanted to point out investing in our neighbourhood main streets is vital to keep our City vibrant. It's also an excellent mechanism for levering funding from other levels of government.

However, I of course, I would be remiss in not commenting on what I am disappointed about in this Budget, which has to do with the Transit system. And I'd like to say I fully support the improvements to the Transit system that are in this Budget, and so I will be supporting it, but I would like to point out that they are really too small of an investment. The decisions we make in the six year Capital forecast are really where the rubber hits the road and will determine the direction that Winnipeg goes in the future. And this investment will not take us very far in realizing rapid transit in Winnipeg for many, many years to come.

When you look, it sounds really big to talk about $142 million dollars in Transit investment over six years. But when you look at the numbers closely you will discover that most of this money is for initiatives that were already in our Capital Budgets or for annual bus replacement, which we have always done. Of the $142 million you can immediately subtract $65 million, as simply the usual amount we spend on bus replacement, just to keep the same number of buses running. This is nothing new.

The hybrid articulated buses I'm very supportive of, for carrying more passengers and improving our environmental record. But beyond buying buses the entire amount being spent on Transit initiatives in the next six years is only $49 million. At least $15 million of this is for the long awaited fare collection system and bus radios that we have planned for ages. This Budget really moves at a microscopic pace in terms of truly implementing the *Rapid Transit Task Force Report.*

Another point I'd like to make is that the recommendations of the Rapid Transit Task Force included an approach of levering funds from all three levels of government. Yet the Province has not been asked for anything new for the Rapid Transit Task Force recommendations in this plan. We should be using Federal and City funds as a lever to get money from the Province and I think we are wasting this opportunity if we don't get on this immediately or yesterday.

This Council has been handed a one-time opportunity of $28 million dollars from the C66 NDP-Liberal Budget money and has been told it must spend 10% of the new Federal gas tax money. Edmonton, Vancouver, Ottawa and Toronto are spending 100% of their gas tax allotment on Transit; Calgary is spending 50% and Montreal and Quebec are spending 25% . But our Council is choosing to invest the least amount possible that is allowed to by the Federal government.

I believe we should be investing 20% of our total Capital spending on Transit and active transportation infrastructure and 80% on maintenance of existing roads. And this actually was supported by our own Transit and Public Works departments in the *Plan Winnipeg* discussions. That's the ratio they believe is appropriate for Winnipeg. But we aren't even coming close.

This Budget represents a continuation of the historical pattern of under-investment in Transit in this City. Good old Winnipeg is continuing its sad decline as a Canadian city by once again delaying rapid transit plans. Although we are studying the busways in '07 and '08 there is no money for implementation even in the outer years in this Budget. It may be 10 to 15 years before we see the beginnings of rapid transit in Winnipeg, if we are lucky.

Many citizens might ask why is it taking so long for Winnipeg because this Budget reflects the priorities of this Council of Mayor Sam Katz and this Council, which as Donald Benham has often said "buy a car, and while you're at it buy a second

car." This Budget reflects the approach of investing the very minimum you can get away with for Transit because it really isn't a priority. This Budget takes the approach of waiting until another level of government legislates you into spending money on Transit before you act.

Of course roads and bridges need investment but there needs to be a sensible balance between investing and fixing streets and investing in Transit. Transit investment also provides a return in economic spin-offs of infill development along transit ways, $100 million dollars worth in the Fort Rouge Yards alone. Not to mention the benefit of reducing greenhouse gases, providing alternatives to the automobile, reducing wear and tear on our roads and on and on. With future increases in oil prices and declining non-renewal resources there was a need to get ahead of the game and prepare for the future. It's too bad this Council really doesn't get it.

I fully support all the Transit improvements in this Budget but Council needs to do more then wait for the FCM and other people to obtain money for us. The Province should be a one-third partner and brought in to support rapid transit with funding. The grassroots of the Provincial NDP, and I was there at their convention last month, voted to support rapid transit in Winnipeg. But it's up to Council to raise a little enthusiasm and put some inter-governmental pressure to make this a reality.

When we cancelled the initial BRT project the other levels of government were passive, and if Winnipeg won't speak up for its own Transit system I don't think we can expect them to come forward with cash in hand. The Mayor and EPC could make something happen if they really believed in the importance to our City of rapid transit. But it's about priorities. In spite of the press releases and photo ops with buses, I'm not convinced by this, by what is in this Budget today that the investment in Transit really is a priority.

I honestly think we could of fixed a lot of roads with this new money, but still have found a balance where we could have used this window of opportunity for something really exciting for Transit. Something that would really make a difference in people's lives; bike paths out to the U of M and to the east of the City; buses whizzing past the Donald Bridge and Osborne Village congestion; massive new infill housing invest in existing neighbourhoods along transit ways. That's a vision that appeals to our 40,000 university students, people we want to entice to stay in Winnipeg.

And I assure you that the idea of rapid transit…

Mr. Speaker: Extension has been moved.

Councillor Gerbasi: The idea for rapid transit in Winnipeg will not disappear. It may not be the only thing on a citizen's mind when they are contacted for a public opinion survey, but it will become more and more obvious to everyone, even members of this Council, as gas prices rise, as climate change continues, as young people speak out, that Winnipeg better start acting like a major Canadian city if it wants to be considered one.

And I say those comments strongly because this Budget is where we make the decision about the future of Winnipeg. And although I am supportive of many things in it I think it has to be put on the record the direction we are going. And I think it's a mistake to under-invest in our Transit system and I can't underemphasize the importance of that.

So I apologize for not being completely positive because we did get a big windfall and it should be a really happy occasion. But I think it's our job as leaders in this City to look to the long term and bring forward a vision that our young people want if we really want them to stay in Winnipeg. Thank you Mr. Speaker.

Mr. Speaker: Any other debate on the clause or the amendments? If not, oh Councillor Benham.

Councillor Benham: I'm surprised Mr. Speaker that you don't have a lot of people wanting to speak on this, but I'm

certainly happy to. And Mr. Speaker thank you very much and I appreciate that all Councillors have given this a lot of thought and I commend Councillor Wyatt for bringing forward his amendments and I will be supporting those. I think they're, they make a lot of sense and I think they're a good idea.

I think that we should in fact be supporting, we should in fact be asking the Federal and Provincial governments for more money because it's our money. It belongs to the citizens of Winnipeg. They owe it to us. Yes we've made a beginning with gas tax but there are further things we should be doing. I did talk about that in the past. I think that we should start to have, we should have tax points transferred when we are negotiating.

Yes, we usually go in and say could you please give us some money, the old opportunistic begging line, but I think Mr. Speaker that we should have tax points transferred. And I think we should start bending our minds around that and giving the cities, making sure the cities generally and the City of Winnipeg specifically, has more taxing authority which we as a Council would be responsible for.

I also support the second motion which regards, regarding the Provincial government support for Transit. And Mr. Speaker during the Executive Policy Committee meetings some two or three months ago when Councillor Pagtakhan, the Mayor and indeed all of us engaged in a very interesting and I think good debate about the future of this City, we did talk about the need for the Province to support Transit to a greater extent. And I think there is a great consensus about that on this Council. This motion represents that and Councillor Gerbasi has reinforced with us the news that New Democrats, the grassroots New Democrats of course, support public transit and so now we need, all meet to put additional political pressure on the government of the day, the Provincial government, to ensure that we get that.

Mr. Speaker there are indeed, and speakers have already noted, the Mayor has noted quite rightly, the positive things in this Capital Budget. Councillor Gerbasi has commended him for those. And certainly on top of the investment in roads and bridges and let me talk about that for a moment, Mr. Speaker because I don't want to give it short shrift. As I've mentioned on this Council floor before, the, I represent some, the people that I represent have to drive down some of the oldest streets in Winnipeg. Some of the least well repaired and these are our engineers making that assessment, Mr. Speaker, those are not my thoughts but those are in fact, quantifiable engineering certified facts. River Heights-Fort Garry has a number of older streets that need replacement and in common with Councillors Thomas and Smith and Gerbasi in particular, we have a number of back lanes that need to be replaced and are in bad shape.

And we know that our people, that the people we represent, that's how they get to and from their homes. It's not a luxury. It's not, isn't this nice that there is some place there, you don't put garbage out on the front street. No, for virtually 100% of the people in the neighbourhoods that have back lanes that is the way that they get to and from their homes. And Mr. Speaker, repair and reconstruction and rehabilitation of our physical plan is long overdue, and in that priority I do support the Mayor's view that this is something that a lot of Winnipeggers want. It is something that a lot of my constituents want and I do acknowledge that.

So it is a question of balance, Mr. Speaker as it is in so many political questions. Where will we strike the balance, at what percentage? Councillor Gerbasi has set the bar at a point that our own public servants have suggested which is a 20/80 split, between public transit and other means of active transportation and other Capital spending. I think that's a good goal to aim for and I think it's something that we as a Council should bear in mind because it is true. We are setting the priorities now.

I'd like to also support the Mayor's initiatives in supporting the Winnipeg Housing and Homelessness Initiative,

with a million dollars; a million dollars to river banks, and I think that these are all positive moves. And I also like to see the adding in of money for bike paths and for other active transportation strategies. It remains a small amount but I think Mr. Speaker, I hope that this investment will grow and certainly it's good to see a political attitude and an attitude on EPC that reflects those as priorities. Those are things that I support as an independent Councillor as well.

Finally Mr. Speaker, Transit, Transit as a whole. And here again, I think it is good to see that when we spend money on buses, as we must every year, that we invest in new types of buses; buses that offer an opportunity to carry more people on congested routes; buses that offer an opportunity to use new types of fuel. We're going to invest in diesel electric. I know Mr. Speaker that Flyer Industries is currently experimenting with hydrogen fuel cells and I'm happy to see that. And I think that we need to be more experimental, more innovative in the fuels we use and so on and I think that the City of Winnipeg has a great opportunity to showcase Flyer Industries. So that's a good thing when we buy buses let's be a little innovative. Let's do something different. Let's showcase what we can do here in Winnipeg.

And I think the other ones are good things as well Mr. Speaker. They will improve service to the people who already use Winnipeg Transit. And that's a good thing because Mr. Speaker I'm one of them and I would be very happy not to stand in a bus shelter that has a hole in the roof because that Mr. Speaker, by definition is not sheltering anyone. It has ceased to be a bus shelter. It is no longer a bus shelter so if we get ones that have roofs fixed that's great. We are promised heated bus shelters and Mr. Speaker I have to tell that you 40 years ago, the bus shelters I stood in were better heated, more accommodating to people and so on than the ones that we spend a lot of money on now.

But Mr. Speaker there is a but to my comments as well and it has to do with the time when we accepted, we didn't, when we accepted as information the *Rapid Transit Task Force Report* and I put on the record my concerns at that time, Mr. Speaker, that accepting this information would be simply hollow words if we did not back that up with money at this point, in the Capital Budget and that is what we singly have failed to do. We as a Council have failed to do and we must all accept that because this Budget reflects our priorities. And the money that is being invested in long-term transit or long-term Capital for Transit falls far short of the excellent report that we all on Council supported as information. We all accepted that goal.

And the best information we had at that time was that Council had to set aside $5.5 million dollars over a period of ten years. We needed a savings account. We all understand that Mr. Speaker. As the *Winnipeg Free Press* has pointed out recently, we have lots of savings accounts and lots of reserves. This one would have a very specific purpose. We would know what it was going for and we would save that money.

Mr. Speaker some of the improvements in this Capital Budget do in fact serve dual purposes. They do fit in with some of the priorities of the Rapid Transit Task Force. They were in fact long standing Capital priorities of the City of Winnipeg. I'm willing to count those, that's great we're getting on with buying those things, with buying those radios, with getting some of the signalization and so on so that people can know when the next bus is coming. Those are very good things Mr. Speaker and if we wanted to say that satisfies some of the demand of the *Rapid Transit Task Force Report* I would be satisfied.

But Mr. Speaker I think we need to be honest about it and I think we need to do the math very precisely and then I think we have to say what's missing, what did we not pay for in this Capital Budget and we should make up for it, Mr. Speaker. As soon as the Operating Budget if possible but we should make up for it long term because if we don't invest in bus rapid transit beginning today, we will never have it.

Mr. Speaker, I was, given the circumstances for bus rapid transit... Moving extension? Thank you. Given the circumstances for bus rapid transit I was going to make a case today that I thought the actions of the Mayor and the 10 Councillors who supported him on September 29th, 2004 in halting bus rapid transit, that that had delayed bus rapid transit for five years. I was going to make that case on the basis that bus rapid transit would have gone ahead and would have been built in the fall of 2004, contrary to Mayor's consistent assertions here, but I have some paper on my side. I'm sorry I'm not tabling it Mr. Speaker, but next time I refer to it I will, and Mr. Speaker we would have gone ahead just as we went ahead with the Sterling Lyon Parkway.

I don't know how many Councillors have now driven on the Sterling Lyon Parkway but I for one have and of course most of it is within my ward. I daresay Councillor Clement has probably checked it out and some other Councillors probably have. It started being built, the City started building that in the fall of 2004 as part of the Kenaston Underpass agreement made in March of 2004. And the same pieces of paper Mr. Speaker, released at the same time by the three levels of government, said that bus rapid transit would have started in the fall of 2004 as well, building the bus roadway would have started in the fall of 2004. It would have been under construction. So, Mr. Speaker, because it was a road and a very simple road, just as the Sterling Lyon Parkway, in fact it would have been even simpler to construct than the Sterling Lyon Parkway, it is fair to say that it would have been under construction and mostly built by now.

Mr. Speaker we simply have to rectify that mistake when we go back to the voters in October of '06. We have to say we were wrong and we are investing now. The Mayor's latest statement is that bus rapid transit is 10 to 15 years away before we even start building it. Well that is too long for me Mr. Speaker, and I believe that we should start saving for it and start building for it as soon as possible. But I will be supporting the Capital Budget Mr. Speaker because of the other excellent measures in it. Thank you Mr. Speaker.

Mr. Speaker: Thank you. Any further debate on the clause or the amendments? Councillor Clement, Councillor Smith and Councillor Thomas.

Councillor Clement: Well good morning, good morning Mr. Speaker, sorry. Good morning Mr. Speaker and I would like to make a few comments. My colleagues will be happy to know that I'm not going to talk about rapid transit whatsoever.

The first thing I'd like to say that I think is really important for everybody to know and understand, and many people in this chamber were there when the decision was made finally, we tried to do this in the early '90s and it never really got done until 1998. But the fact of the matter is, is that this is the 9th straight Capital Budget that has no borrowing and that's huge.

There was a story in the paper just a few days ago that quite frankly I was amazed how much space they actually gave it because it was such a positive story. But I guess that it's news and significant news, that the City has cut its tax-supported debt by more than $200 million dollars in that time frame, and in just 11 short years, if successive Councils continue on this path, that the City of Winnipeg's tax-supported debt will be eliminated completely. And I think that's a huge issue and one of the most important things that's actually happening here today, the continuation of that.

I think that the second thing is, is that I would like to comment on the new deal for a wee bit because one of these amendments kind of deals with it and I'm surprised a little bit on the first motion from Councillor Wyatt, from that Tory hotbed of Transcona, that he didn't realize that the Provincial government had, had created the Manitoba Plan and that they had actually given us $29 million dollars from gas tax, last year. Of course they, and when they made that statement it was actually accurate. They actually did take $29 million dollars from gas tax and create the Manitoba Plan and gave it to Winnipeg. What they forgot to tell everybody was they took $29 million dollars out of other grants that they give

us to match up with it. And you know, but that's, it's new I guess. Quite a deal.

Anyway, the point that I want to really make on that score though is that I went to five of the seven meetings that were held at various locations in Winnipeg, and the theme behind all of those meetings was infrastructure. In fact, I don't ever remember the word transit being raised at any of those meetings, by the former Mayor, when he was talking to the public in a very, very one-on-one way about infrastructure renewal.

And on that score, I would like to congratulate the Mayor for his diligence in continuing to push hard to have the agreement with the Federal government and the Province allow us to spend the money on roads and bridges, which was exactly what the former Mayor was pursuing and was exactly what Councillors were talking about at those public meetings, and it was the only issue that was being talked about at those public meetings, and that that's what that money was for.

And, I can't control what other levels of government do or say or how they try to manipulate how they provide money to their underlings, but the fact of the matter is, is that we can stand here today and very proudly state that the money that we have, have accepted from the Federal government, that every nickel of it is going into roads and bridges which is exactly what we all fought for in the beginning, Mr. Speaker.

The interesting thing about that tax-supported debt dropping, you know, is that it isn't just all an accident about the fact that we haven't borrowed any money either. It's the fact that we actually created a bus, a Transit Bus Purchase Reserve a few years ago back in the early '90s, because a significant portion of the debt, in fact my recollection is over 40% of the debt back then was from purchasing buses, on 20 year debentures, interestingly enough.

The, I guess the last thing that I would like to say is that I think that this particular Budget is fairly well-balanced as well. When you get into the more grassroots issues, like playground equipment and things like bike paths and walkways, and the way that the money is going to be spent in this year's Capital Budget Mr. Speaker, in many of the other areas, the millwork work type work that will take place, as well as the TVO work and the full reconstruction. It's a very comprehensive program that if we were able to continue on this path for four or five years, would give us the ability to at least hold the line on infrastructure. And if the governments of the day can agree to continue this beyond the five years, we will have a far better situation.

Winnipeggers, I can already hear the phone calls about how tough it is to get around. When I hear people trying to get to work and they try to go down Roblin Boulevard and it's under construction, and then they go down Corydon Avenue and it's under construction, and then they get onto Ness Avenue and it's under construction, and then they get onto Portage Avenue and it's under construction and on and on and on because that's what's going to happen this year, Mr. Speaker. There is 15 major regional streets that are going to be repaired in a very short period of time. And that's a great thing, and it's something that we've been trying to move along for a period, for a long period of time.

And $73 million dollars is a lot of money and it certainly going to do a lot of work. And I'm thankful that the construction companies in this City are able it handle it and I know that they are, because I've talked to the Heavy Construction Association about that, and they are chomping at the bit, getting ready to go and they believe they can handle this. And there may be a limit at some point to what they can handle and I don't know what that number is but they can certainly handle this and I'm look forward to all this work happening and hopefully getting a few people that are driving a little bit more positive about the state of our streets. Thank you.

Mr. Speaker: Councillor Smith.

Councillor Smith: Mr. Speaker I'm supporting this Capital Budget. And I'm supporting it because there are things in it that are worthwhile. For example, the public art, I support. The housing funds of a million, I support. So there's, there are things good about the Budget. The, the aqua pool funds are adequate too. So there are definitely good, worthwhile things in this Budget. But there are things left out that are really bad.

You know, Councillor Benham mentioned the back lanes. I'm glad to hear him speak about back lanes. I've got 35% of all the bad back lanes in my ward, and we're not making anywhere near enough effort to deal with that problem. I know most of you Councillors that don't have back lanes, or if you have back lanes they're in very good condition. The fact is, come down my back lane. See what they're like. It's, they're just ghastly. I mean you can't, it's like saying we don't care about back lanes period. The amount is too small. The other back lanes that are bad are in Councillor Gerbasi's ward and Councillor Benham's ward. So you know, I don't know why you, this Council, how they act about it is they say, we close our eyes, there is no problem. The fact is there is a problem with back lanes and we should be addressing it.

I'm also supportive of the $142,000,000 for Transit improvements. These improvements are needed, and I'm disappointed however, that we're not doing enough, we're not moving towards rapid transit.

So these are the problems. Now, we are also spending $100 million for a water treatment plant that we don't need. The Federal government has not gone ahead and told us that we have to build the water treatment plant, that they raised the standard. No, nothing. It's just, you know, we put the money aside in a fund for the water treatment plant and when we amass so much money in the fund, we then pass the water treatment plant. I mean it wasn't rational. It doesn't make any sense. New York City doesn't even have a water treatment plant but Winnipeg is gong to have one, even though we don't need it. Sure, it does clear up the water in August a little bit, makes it a little more pleasant. But for a $100 million that's a wasted expenditure that could be spent on things that are really needed.

So I am supporting this Budget because it's overwhelmingly good compared to the things that are bad about it, or not bad about it but have been omitted and not been in the Budget. So, I wish I could say greater things about the Budget, but realistically, these things are important and I hope that we do better in future.

Mr. Speaker: Councillor Thomas on the clause and the amendments.

Councillor Thomas: Thank you Mr. Speaker. First I wanted to thank Executive Policy Committee for increasing the pedestrian and cycle facilities budget by $100,000 dollars and by providing for playground replacement $250,000 dollars, those things that weren't in the Budget in 2006 that got reinstated, and I thank you for that.

I would also like to remind you about several other things that I made in my delegation towards the Executive Policy Committee, that still give me concern. Most of them are actually in the 2007 to 2011 forecast, and my concern was that those issues weren't dealt with and could have been dealt with but they will in no way affect my support of the 2006 Capital Budget.

Pedestrian and cycle facilities should also have been increased to $200,000 in 2007 and should continue after that to be at $200,000. I think this is a minimal effort we can do. *The Winnipeg Bicycle Study Facilities* which was back in 1993, which we had been preceding along, we are still a long way from implementing this report even though it is now 13 years old and I would ask us to do that. The Capital Budget that we adopted in 2004 actually planned for $500,000 dollars each and every year from 2004 and beyond, and this was reduced to $100,000, now thankfully it has come back to $200,000.

But when we have received much more money for infrastructure renewal, I would like to point out that if we want to have

people getting out of their vehicles, that there are two ways that we can do that. One is to put more money into transit and the other way is to put more money into, into pedestrian and cycle facilities to provide people an alternative to the single vehicle. And so, I would, will continue to monitor that concern.

The next thing that I would like to point out is Chief Peguis. I had asked and Councillor Lubosch had also asked that we move this forward in the Budget. It had been at 2009 and I asked that this study be moved forward to 2007. I pointed out to people at the time that one of the highest areas of ex-urban development happens in East St. Paul. It's been a high growth area. If we opened up the lands between East Kildonan, North Kildonan and Transcona, all that land that sits, that could be infill development between those two communities, there is this huge gap of grassy plain that exists between these two communities that would infill the area between those two areas.

One of the things we need to do is take care of the traffic problem in the northeast sector of our community. Councillor Lubosch has particularly been challenged by that and he'll probably speak more directly when he stands up to speak about this Budget. But, the concern is that this affects all the major transportation routes throughout my ward, as it doesn't, people do not have an alternative and need to come down into my area and use Nairn Avenue, Talbot, Munroe, and it would relieve that pressure so people would no longer have to come into my ward to be able to go to Transcona from North Kildonan, to be able to, to settle around there. There is no need to push people down to the south in order to make them to come back to the north again and that would really help and would help complete the circuit of the inner city beltway system that has been planned for, I don't know, 50 years. So, please look at doing that.

The next item that I would like to call to your attention is the city-wide accessibility program. Thank you very much for continuing on with that city-wide accessibility curb cuts. Particularly, I would like to focus on areas where we have citizens that are in their houses that could get out on the streets because the sidewalks continue to be in bad shape, and thank you for increasing some of the general sidewalk budget but we also need some money in the accessibility program to focus on those areas where we have a person in a wheelchair who is living on the street, who cannot get to the corner store without flying out of the wheelchair. Sadly to say, that has happened on several occasions in my ward, and so, I appreciate having that reinstated.

There are several Councillors who spoke with regard to the fact that we were baffled by playground replacements being left out of this year's Budget and I'm glad to see it reinstated in there.

The affordable housing initiative transfer, I had asked that this be continued in the other two years. The program actually ends in 2008, and I asked that it be continued. I would like to call Councillors' attention to the description in part 9, numeral 9, in the, Capital Budget description, a million dollars.

The $200,000 dollars for Aboriginal housing is a good step but I understand that our commitment for that was supposed to be $500,000, so please look at where that other money is going to be coming from.

$640,000 for four housing improvement zones is great. Another $160,000 for a new housing improvements zoned in the Centennial neighbourhood, considering that that is one of the 14 areas that is considered high-need, that's great.

However, I would like to point out to Council that we have now funded five of the 14 major redline areas in the City that are in serious need of improvement, and that leaves nine totally unfunded. So our job is nowhere complete with regard to the money that has been put into the Housing Rehabilitation Investment Reserve. And I would like to point out to Council that while some may consider this a Provincial or a Federal mandate, that that has a direct impact on our ability to raise taxes.

If we increase the value of the homes in these sensitive neighbourhoods, not only does it lead to a sense of community and more ownership of the community, not only ownership in the actual physical sense but in the spiritual and the emotional sense as well, that our tax base improves and our ability to keep our budgeting at zero-based budgeting is improved. So please look at continuing this program whether or not the Federal and Provincial government is on side because it's good for us. So, and I don't see anything with that.

I'd like to look for other things that I don't see. Myself and Councillor Lubosch asked for some money for the pool slide. We had asked that it come from the indoor aquatic facilities. We are frustrated by two issues. One, when it was put in, we did not know that they would be charging an extra dollar for that, and were disappointed that that occurred. But, now that they were charging an extra dollar to do that, where is the money from that? That money just got slipped into general revenue and there was…

Mr. Speaker: Councillor your time is up.

Councillor Thomas: Okay, and there are many more things to say. Extension of Panet/Molson is another issue that I would have liked to have gotten at. That's a serious issue that hasn't been stated at in this Budget at all and I will leave it at there. Thank you for your time.

Mr. Speaker: Thank you. Councillor O'Shaughnessy on the clause and the amendments.

Councillor O'Shaughnessy: Thank you Mr. Speaker. We have before us, as I am sure, is the finest Capital Budget in the history of the City of Winnipeg. I didn't say a perfect one, I said the best one ever, and not it ain't close by a good margin. It has no borrowing as from tax, tax-supported borrowing as Councillor Clement pointed out. That puts it better than any but the last nine. All its money is confirmed. There is no money out in the outer years that are subject to us confirming deals with the Federal or Provincial government which puts it better than a few in the last few years, last number of years.

There is more money ever spent on recreation. There is more money ever, than ever, spent on Transit. There is more money than ever by a long shot, spent on road repairs. There is more money ever in the Budget, Capital Budget, confirmed for housing, ever. There is more money, and it ain't hard, spent on riverbanks, than there has ever been. Of course there has never been any. There is more money in a pot for local improvements so if residents want to pay for something in their own area they don't have to wait four years to see if it happens. It can happen now. A new innovation that's in this Budget creating that pot.

There is more money spent on environmental issues than ever before and I mean the real ones, water and waste, whether it be solid waste or liquid waste. There is more money than ever. There are no programs that have been cut and it even gets to the point, Councillor Smith, there is money for lanes. When is the last time you remember any money for lanes? And yes, that is an area that there is room for a lot of improvement but there is some money for lanes, which is a first.

The '07 to '11 portions are not yet that great. But there is an election this fall and I'm sure that Council that's elected there will have their input on the 2007 portion and the continuing work on the forecast from that. But I have not seen in my years here, and before I came here as a newspaper reporter who covered City Hall and even a little bit of Metro, I've never seen a Capital Budget of this calibre, and yet there is room for improvement and that's why we're here. Thank you.

Mr. Speaker: Councillor Steeves.

Councillor Steeves: Thank you Mr. Speaker. It was a positive speech from our Fiscal chair there and as positive as it was he can't take credit for being the most successful Canadian this morning, I don't think. My spies tell me the Canadian team has jumped up to a 3-

nothing lead against Czechoslovakia today. That's luge, Councillor Gerbasi. Yeah they've jumped out ahead I'm pleased to report.

I wasn't actually going to speak but Councillor Benham guilted me into it by his comments and of course he is right. It's, it's probably appropriate that every Councillor put their thoughts on record with respect to the Capital Budget. I have to say after spending so much time with this, I am looking forward to it being passed but I do stand in support and of the items contained therein and I think to echo the sentiments of Councillor O'Shaughnessy, it is I think a watershed budget for this City.

And I think it represents a brand new era and I think all of us do join, aside from constructive criticisms that have been leveled, I think it should again be noted by this Council, along with Councils right across Canada and all municipalities, that this really is a remarkable achievement for the first time in our history to have budgeted in our Capital Budget, such a large contribution from another level of government that is affecting and assisting citizens that we represent. And I'm not talking about any one particular party. Obviously this has been something that's been done by all Federal parties, to greater or lesser extents, but it is really something that should be acknowledged.

We don't hesitate, sometimes, to mention where our colleagues are at the levels of government could do the job a bit better. This is really remarkable in what's been achieved and I think everybody shares in that success, not only in this chamber but right across this nation. It really is a great thing.

With respect to the amendments that have appeared, I have no difficulty in supporting those. I would remind Council again that the current position of municipalities, collectively across the country, through by virtue of our membership in the Federation of Canadian Municipalities, is that we have actively put on record our request to the Federal government, to make the five year gas tax commitment at least a 20 year gas tax commitment. We're asking that the Federal government enshrine that commitment in legislation so it becomes part of formal Federal policy and regulation that we receive that funding.

Further, we're asking that the Federal government formally commit to continuing the already, and the historic $1 billion per year contribution that has been made over the last 10 or 12 years through a varia of different programs whether it's green municipal funds, the infrastructure programs or what have you. That is the formal position that's been advanced by the Federation of Canadian Municipalities on your behalf.

The Big City Mayors met on Friday past, discussing how they are going to move forward with this agenda, with the current elected Federal government. That is the process that's going to be taking place. So we have to remember I think, that while great work has been done and things have been, have been achieved, it's not over and it continues. And we continue to struggle for not only ensuring that that money remains there but that it's going to be there after five years because of course it's kind of hard to imagine that the infrastructure, the infrastructure property phase right now will be appreciably affected after a mere five years.

With respect to the Transit amendment again, well intentioned, I have no difficulty. Before I get on to the Transit amendment I will mention in the whereas with respect to the *SIRP Report,* there is nothing wrong with that particularly, I would point out Mr. Speaker, that I think we're using slightly different numbers than the numbers that appear in the report. It's not a really big deal but I thought I would point that out. They're not even that different actually but they are somewhat different.

And with respect to the Transit amendment again, a fair enough, or not amendment but a suggestion, a fair enough comment although not a Capital Budget issue necessarily, it has to be pointed out again, the greatest challenge that I think we face as an entity trying to provide service to the citizens we

represent, and the greatest challenge that our Transit department is facing and that is the issue of Handi-Transit which I guess primarily comes, if not exclusively comes on the operating side.

Increasingly, our department is having almost an impossible time dealing with the increased demand for this service. And it is really and actually affecting the service that we can provide to all of our citizens in this City on the operating side. So, I guess a pertinent and attached to this request, I hope that there is the acknowledgment and the intent to follow up on that very, very important issue. Because I don't think it's an exaggeration to say that those costs are really, really handcuffing our Transit department on the operating side.

I was intrigued by the comments of both Councillor Clement and Councillor Smith. As usual those two are in perfect lockstep Mr. Speaker. And they, but they were commenting I think indirectly on the same issue. Councillor Clement pointed out quite rightly the grand celebration that this Budget is and that it represents our, whatever the number was, Budget in a row, of non-borrowing. And as everyone knows, every year that drops the percentage of money that we have to spend on servicing our existing debt. I don't know where it is. It's around 16% on every dollar we spent or something like that but it's been dropping at a very regular rate over the course of the past several years. Councillor Smith then made, I think very correct allusions to the issues of the costs of the water/sewer upgrades that we're undergoing in the City of Winnipeg and I saw my friends and colleagues cringing at the prospect of somebody questioning that expenditure.

Well, I don't think Councillor Smith was way off in questioning that expenditure. I think it's worthwhile to continue questioning that expenditure because it's such a huge expenditure that's going to do two things: a) if my information is correct, and I believe it is, it is probably going to force us back into the pattern of borrowing money on our Capital Budget. That is likely going to be the result and I think everybody in this chamber should know that. If we are, well, I would beg to differ on that point. That is not what our Water, to some of my Councillor colleagues that are indicating no, I think it is the position of the department it may well do that. I guess we'll have to wait and see. But that is what some people are hypothesizing as an eventual result of that.

And, of course, as everyone may or may not be aware, for example, the combined sewer overflow upgrades that we're being asked to incur by the Provincial government, those upgrades at a cost of almost a half a billion dollars for those upgrades, will likely have zero percent effect on the nitrogen and phosphorous flowing into Lake Winnipeg. This is an accepted fact. So while big on the disgust factor, Councillor Smith alluded that there might be a better way to spend this money and he might be right. And I think it's worthwhile for this Council to pursue that discussion ongoing, because it is a massive amount of money that we are being asked to spend, and it's politically a very, very difficult one to address.

The process that's been talked about is always very, very difficult and I think it's worthwhile acknowledging that it's difficult for this Council to always access the citizenry and that there is no perfect way to do that. But we always, I guess, stand by ready to have comments on how that might better be done. But it is very, very difficult to, I guess, create a process where you truly do get a great flavour for what the citizens of this community really, really want. There are reams of people who for whatever reason simply choose not to participate and that's what makes the public process very, very difficult, I think. And I just throw that out there as a comment for people who are asking for more process or better process. It's not as easily accomplished I think, as it is to be said.

Throughout the course of the process I saw Councillor Swandel convince Council, in Executive Policy Committee, to go in a different direction with some Capital projects. I saw Councillor Lubosch convince some folk, folks on Council to do some different things with

respect to bike paths and the like that are important to him. So there was some process. There was some change. There was some evolution in the eventual Capital project, Capital Budget that stands before Council today and I think that is at least somewhat positive.

Finally, I don't know that it's been said loudly or strongly enough today, I do want to thank administration for all of the work that they've done, led by our very own Bob Gannon who is here for his last meeting and Jo-Anne Ferrier, Betty Holsten Boyer, and everybody who attended. There was hours, upon hours, upon hours of meetings, asking them to go back on weekends and re-jig things just so we could…

Mr. Speaker: You time is up.

Councillor Steeves: wind up with numbers that we thought we could present to Council. Thank you very much administration for all of the hard work.

Mr. Speaker: Thank you. Councillor Lubosch.

Councillor Lubosch: Thank you Mr. Speaker. I'm rising in support of the Capital Budget. It's probably as the chair of Fiscal Issues commented, one of our best Budgets ever since I've been on Council, and it's, it's one that we can take some responsibility for, certainly in terms of the active lobbying that has been going on between the City and other levels of government to get back that money which is extracted from our City but which should rightfully be reinvested. And this would be a very different Budget if we didn't have the gasoline tax revenue.

Whether we're spending it on roads this year and in future years and bridges, or whether we make a decision down the line to invest more in public transit, which is probably a sound decision to make in any event, it's all infrastructure, and ultimately, the way we invest it will shape the way our City evolves. And I think we all around this table, have a wish for our City to be that vibrant and exciting one that we reiterate in our City plan.

I did want to caution Council however, on becoming too exuberant about this Budget. While at the same time we are investing nearly $30 million dollars more into our crumbling infrastructure and by golly, when the snow starts melting, we will see the extent of the crumbling firsthand. Ice and snow fill in those potholes as we know, and there will be some months of reckoning. And in spite of all our best efforts and all our best patching, we are going to hear about it from our constituents.

We are, we are cash financing our Capital. I've been a strong supporter of that kind of budgeting and that kind of fiscal constraint and I do believe that if we could borrow money to ourselves that we don't need to be a City that relies on external borrowing except perhaps in extreme circumstances.

I want to caution Council that while at the same time we are holding the line on property taxes and strategically investing our Capital dollars, we are, we are incurring a deficit on another ledger, and the infrastructure deficit which has been estimated at $81.7 million dollars per year, is a quantifiable, real bottom line number. And the most concerning aspect about that number is that unlike an amount of money in the bank or a bond held in trust, we can't determine the rate of interest at which that $81.7 million accrues each and every year.

In our particular case, with the kinds of weather conditions we've been experiencing, our interest rates have been in the double digits, and in fact, some might hazard that they are reaching exponential and epidemic proportions. And the only way to rein that deficit in, is to pay it down at a rate that is, that is equally as measurable. And at $30 million dollars a year more, that $81.7 million will come back to bite us next year in addition to another $81.7 million plus interest.

And so while we're very positive today, and I believe we should be positive and I think the message to the citizenry should be positive, I want to caution us on the possibility that we may become

complacent and that we may not continue to drive our bargains, even harder, at the other levels of government that we request even more opportunity for taxes that are collected here to come back and be reinvested here, strategically, in infrastructure, in public transit infrastructure, in road infrastructure, in recreation facilities, in buildings and bridges, et cetera.

There are some good news items in the Budget. Certainly a million dollars to stabilize our riverbanks is a step in the right direction. Currently, it's estimated that about $10 million dollars worth of riverbank is failing and in immediate need of repair. A million dollars isn't going to solve the problem but hopefully we can use it to lever other funds and get after that so that we don't lose that property and the value of that property forever.

Cycling facilities have been doubled. There is now $200,000 dollars a year to spend on bike paths. That's a good thing, but it's still way short of what we need if we are going to accomplish a comprehensive bike path system say on the scale of Calgary or Saskatoon. And there is a lot more work that needs to be done in that area.

Reforestation, $383,000 dollars a year. A lot of this money goes to combat Dutch Elm Disease. We still are, I believe the Elm capital of North America but I fear that with $383,000 dollars a year, our urban forest is not going to, is not going to either withstand the numbers that are being depleted by Dutch Elm Disease and it's certainly not going to, not going to increase the number of trees. We are losing more trees than we are planting by a very great rate. And because trees take a long time to grow in this climate, the best time to plant a tree was yesterday. The second best time is today. And we need to increase that budget if we're going to, if we're going to continue to have an urban forest.

The park playground equipment, $250,000 dollars a year, starting in 2006, is a good move. Unfortunately it falls way short of what we require. In North Kildonan alone there are approximately 40 playgrounds and most of these playgrounds have been assessed as being unfit for use because they no longer meet the C.S.A. standards and requirements for playground infrastructure owned by the City of Winnipeg.

We have been giving money to the local schools in the area. C.I.G.P. grants in the order of anywhere from $25,000 to $50,000 dollars to replace their playgrounds. Unfortunately the rules and limitations around the use of playgrounds on that public space are very different than City space. Schools have different rules in terms of hours of use and operation and after school hours and often times kids aren't allowed to use the playground equipment. And it's important that in spite of those good efforts, that we increase the funding to upgrade our equipment so that all the kids can have an opportunity to play and recreate. It's important for health and it's important for the health of our communities.

And so with that I'll close by saying that I am disappointed that the Chief Peguis Trail did not make the cut again this year, to be advanced into the 2007 year. I had hoped with $2 million unallocated Capital funding that we could have advanced it to at least do some study and some consultation in 2007 so that we would be prepared to move by the time the…

Mr. Speaker: Extension has been moved.

Councillor Lubosch: That we would be prepared to get onto this work in 2009.

My concern Mr. Speaker, is that there are some large Capital projects looming on the horizon, particularly the southern and western horizon and Waverley West may require some significant investment and if it does, to lump Chief Peguis Trail and Disraeli Bridge and some of the other Capital projects all into that same timeline, is not only going to create a significant constraint on our resources but it may also create a significant constraint on the resources that are available to do the work.

We have a finite number of people that do that kind of work, engineering consultants, trades people and equipment, and my concern is that so many Capital projects, so many significant Capital projects all falling into the same half decade or decade, in addition to the utility work, the sewage treatment and water treatment plant work that is going to be carrying on into those years, that we may not have enough, enough resources to actually get the work done. And importing resources is very expensive, and it may deem to be an unnecessary expense if we can see ourselves advancing some of these modest, more modest Capital projects like the Chief Peguis Trail extension into a future year ahead of those other projects that are likely going to be falling into those years beyond 2009.

So, I'm not, I'm not going to cry sour grapes or foul. Most of this Budget is very sound and I'm looking forward to getting on to do more work and you can expect that request to advance Chief Peguis Trail is going to come back to these chambers as it has been made loud and clear to the people I meet with over on Broadway, and in Ottawa. Thank you Mr. Speaker.

Mr. Speaker: Councillor Wyatt do you wish to close debate on your two amendments please.

Councillor Wyatt: Call for a recorded vote.

Mr. Speaker: Okay. Debates closed on the amendments. Mayor Katz closing on the main motion.

Mayor Katz: Thank you Mr. Speaker. It's rather evident, going around Council, hearing everybody speak, that it would be nice if we had more. We could always spend more. The reality is Mr. Speaker is what we have, is what we have and it's incumbent upon us to act responsibly with what we have. And I can assure you that that's exactly what we are doing with this Budget.

I can also tell you that it's imperative that we always deal with the realities. I very much appreciate constructive criticism. But I never heard anybody say we should have spent more money here and eliminate money being spent on the Housing and Homelessness Initiative, or eliminate money being spent on riverbank stabilization, or eliminate money being spent on playgrounds. These are all vital and if you want to spend more money somewhere else Mr. Speaker, you have to take it away from something. Something's got to give. Those are the realities.

I very much want to commend and thank the chair of Fiscal for his leadership on this. I very much cherish the philosophy that he has in doing what's right, not what is popular and hopefully we will continue on that.

Just one comment I do want to make just to correct another honest mistake Mr. Speaker. I did make a comment about how long it would take for rapid transit. And what I did is I quoted the chair of the Rapid Transit Task Force when he said at a press conference, "that it would take at least three or four years before a shovel is even in the ground." So I just want to make that comment, as well as one comment to Councillor Benham who probably knows that there are seven major components to a BRT system.

One of those is intelligent transportation systems which is called ITS and I will read what that is. "BRT uses ITS systems to track vehicle locations, control traffic signals, update passengers on travel times and perform other important functions. These technologies can provide next vehicle displays, announce arrivals and departures, ensure better traffic flow, and enhance safety and security on the vehicle." This is exactly what we are doing and we're doing it right now Mr. Speaker. Thank you very much. I hope everyone on Council will support the Budget.

Mr. Speaker: Thank you very much. Debate is closed. On Motion No. 1, moved by Councillor Wyatt, seconded by Councillor O'Shaughnessy. All in favour please rise. Please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors O'Shaughnessy, Benham, Clement, De Smedt, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt, Mr. Speaker Councillor Eadie.

Nays

None.

Mr. Speaker: That's Yeas 15, Nays 0.

On Motion No. 2, is it agreed to apply the same vote taken on Motion No. 1, on Motion No. 2 and it will show on the record? Okay.

Councillor Clement: No. A recorded vote.

Mr. Speaker: No. Okay on Motion No. 2. All in favour of the motion, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors O'Shaughnessy, Benham, De Smedt, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt, Mr. Speaker Councillor Eadie.

Nays

Councillor Clement.

City Clerk: The vote Mr. Speaker, Yeas 14, Nays 1.

Mr. Speaker: The motion is carried. On the main motion?

All in favour? Opposed? Motion is Carried.

By-laws Mr. Mayor for first reading.

EXECUTIVE POLICY COMMITTEE CONSIDERATION OF BY-LAWS

Mayor Katz: I would like to move that By-law No. 72/2006 be read a first time.

Mr. Speaker: All in favour? Opposed? Carried.

Councillor Thomas moves adjournment.

Roll Call please.

ROLL CALL

Clerk: Mr. Speaker Councillor Eadie, His Worship Mayor Katz, Councillors O'Shaughnessy, Benham, Clement, De Smedt, Gerbasi, Lubosch, Magnifico, Pagtakhan, Smith, Steeves, Swandel, Thomas, Wyatt.

COUNCIL ADJOURNED AT 11:00 A.M.