REPORT OF THE

COMMITTEE ON WORKS AND OPERATIONS

DATED MARCH 5, 1996

On motion of Councillor Clement, the Report of the Committee on Works and Operations, dated March 5, 1996, was considered.

Moved by Councillor Clement,
That the Consent Agenda, Clause 1 be adopted.

590 - Councillors Golden and Steek asked to be recorded as having voted against the clause, in accordance with Rule 50.7 of the Procedure By-law.

The motion to adopt the Consent Agenda, Clause 1 was put and declared carried.

Her Worship the Mayor and Councillors:

Establishment of Retained Earnings for the Transit Utility File T (Vol. 3)

591 - 1. On March 5, 1996, the Committee on Works and Operations considered a report from the Commissioner of Works and Operations relative to the establishment of retained earnings for the transit utility.

Committee was advised that permitting Transit to establish retained earnings will improve financial stability for the City as a whole. The General Revenue Fund will benefit by having greater certainty as to the amount to be contributed to Transit on an annual basis. This leads to more accurate predictability of financial results throughout the year and reduces the impact of any unforseen problems Transit may experience in a given year. For Transit, the net assets that accumulate with retained earnings will provide management the flexibility to meet financial issues as they arise by providing more managerial discretion in allocating its resources. Placing greater control in the line departments to make decisions is a high priority initiative of the New Directions concept.

Transit relies on three sources of revenue to carry out its operations. Approximately three-quarters of the total revenue is derived through user fees and a grant from the Province of Manitoba. Inasmuch as these two sources are not sufficient to cover the expenditures necessary to carry out Transit's operations, an annual contribution equal to the shortfall is required from the General Revenue Fund. The result of this appropriation is that Transit's revenue and expenditures equal each other.

Retained earnings is simply the balancing figure between an organization’s assets and liabilities. It represents the equity or ownership an organization has in its assets. Its primary source of change is through the accumulation of annual operating surpluses and deductions of deficits. Presently, Transit does not report any retained earnings on its balance sheet as the City ensures that Transit's revenue and expenditures are equal through the annual appropriation.

As such, the key component of this retained earnings proposal is that the annual appropriation from the General Revenue Fund be fixed and committed. That is, the annual appropriation to Transit would equal that budgeted and would not be the difference between the other two types of revenue and total expenditures. Appendix A details what would have transpired over the last ten years if the appropriation equalled the budgeted amount with the annual surplus being retained. Based on this presentation, Transit would have had $3.4 million accumulated in retained earnings to the end of 1994.

Significant benefits would result from this proposal:

Predictable Impact on General Revenue Fund:

Given today's focus on fiscal restraint, it is important that the City be able to accurately predict financial results. A potential deficit needs to be identified as soon as possible so that corrective action can be taken to ensure financial resources are used effectively. There are numerous factors that impact upon the operations of Transit and as a result, the ability to predict the final impact upon the General Revenue Fund is reduced. Fixing the annual

Report of the Committee on Works and Operations dated March 5, 1996

appropriation for Transit improves predictability and therefore the City's management decision-making.

Another advantage of fixing the contribution is that the General Revenue Fund can regulate its contribution and avoid significant variances on its operations from year to year. In effect, establishing a retained earnings account for Transit represents a reserve for the City. The main difference is that this reserve is reported within Transit and not as a separate fund. The Transit Reserve, like other stabilization reserves, would provide predictability in the General Revenue Fund's annual operations and provide a stabilizing influence whenever Transit experiences a poor financial year.

Decision-making Flexibility:

Accumulating retained earnings provides the management of Transit greater flexibility in making operating and capital decisions. One of the purposes of retained earnings is to accumulate financial resources so that they are available for loss years. Referring to Appendix A, the losses for 1992 and 1993 would have been absorbed without further affecting customer service.

Accumulating Retained Earnings would provide another source of capital financing which could be used by Transit in subsequent years to replace debenture financing on existing capital projects or to finance new projects. Financing some of its capital acquisitions through retained earnings would allow Transit to help the City meet its objective of reducing reliance on debenture financing.

Alternatively, various operating initiatives could be financed with the excess. For example, the Downtown Flyer extension that cost the City an extra $25,000 in 1995 was an unforeseen project when the 1995 budget was prepared. The excess retained earnings is envisioned as providing another option in covering these unbudgeted items.

Optimization of Financial Resources:

Winnipeg Transit is known to have one of the most efficient transit operations when comparing Canada's largest cities. However, committing to an annual appropriation to Transit could lead to even greater efficiencies. Knowing that earnings can be retained for future use would enable management to delay expenditures to future years.

From 1990 to 1994, the City's other five utilities that use this concept have, on average, maintained retained earnings equal to 26.8% of expenditures for the same period. Realizing its impact on the General Revenue Fund, Transit does not feel it is necessary that it accumulate similar levels. Instead, accumulating retained earnings to a level of 6% of expenditures before withdrawal will provide Transit with the flexibility required. Appendix A indicates that 1992 and 1993 were the worst financial years for Transit. Losses in those years represented approximately 3% of the expenditures incurred in those years. Accumulating retained earnings to 6% will provide Transit with a cushion for any further losses. Once this mark has been reached, any *excess retained earnings* will be set aside for special operating and capital purposes.

Prior to 1993, the annual operating grant from the Province varied depending upon expenditures incurred, but not exceeding a disclosed maximum amount. The Province then adopted the policy of providing a fixed annual grant that is not tied to Transit's actual cost of operation. For the retained earnings concept to succeed, this Provincial funding practice must be continued.

As depicted in Appendix A, this concept would have been successful if implemented in 1984. However, in light of the financial pressures affecting all City operations and the uncertainty of Provincial funding, there is less assurance that surpluses will occur for Transit in the short term.

As such, despite the desired benefits of this concept, achieving the objective of accumulating retained earnings will be particularly difficult over the next few years. Driving retained earnings into a negative position, because of successive annual losses, would mean unreasonable price increases and/or service cuts. Experience indicates that both scenarios are unpopular with the public inasmuch as public transit is a service that is highly valued by the taxpayer. Therefore, if the circumstance should arise where the balance of retained earnings is less than zero at the end of the year, after taking into account all transactions for that year, the General Revenue Fund should make special contributions above that committed. In a sense, this special policy is the same that exists today where the General Revenue Fund's contribution is equal to the difference between the other two sources of revenue and total expenditures. This will ensure Transit's retained earnings remains positive.

Report of the Committee on Works and Operations dated March 5, 1996

Your Committee on Works and Operations therefore recommends:

I. That The City of Winnipeg Transit Utility ("Transit") be authorized to operate with a retained earnings concept.

II. That the retained earnings concept be established as follows:

a. That commencing with the 1996 current estimates, the amount budgeted in The City of Winnipeg General Revenue Fund ("General Revenue Fund") as the contribution to Transit be the actual amount transferred;

b. That any operating surplus/deficit arising from Recommendation II. a. be the responsibility of Transit and be accumulated as retained earnings, subject to Recommendation II. c.;

c. That should the balance of retained earnings be less than zero at the end of the year, after taking into account all transactions for that year, the General Revenue Fund will provide a special contribution to Transit equal to the negative retained earnings balance; and

d. That any surplus retained earnings over 6% of expenditures before withdrawal be set aside for special operating and capital purposes.

III. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

(See Minute No. 590 for opposition recorded by Councillors Golden and Steek)

The Deputy Speaker advised that on Council's direction, Council would here proceed to consider the order of business "Report of the Committee on Works and Operations, dated April 9, 1996".

REPORT OF THE

COMMITTEE ON WORKS AND OPERATIONS

DATED APRIL 9, 1996

On motion of Councillor Clement, the Report of the Committee on Works and Operations, dated April 9, 1996, was considered clause by clause.

Moved by Councillor Clement,
That the Consent Agenda, Clauses 1,2,3,4,5,6,7,8 and 9 be adopted.

Councillor Golden requested that Clauses 2 and 8 be pulled from the Consent Agenda.

Councillor Clement requested that Clause 7 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,3,4,5,6 and 9 was put and declared carried.

Her Worship the Mayor and Councillors:

1996 Innovative Transit Program: Upgrade of Transit Facilities at Winnipeg International Airport File T-1 (Vol. 2)

592 - 1. The Committee on Works and Operations has been advised that the Innovative Transit Program provides funding for various projects of an innovative nature that cannot normally be funded through the current or capital estimates. Various projects such as Telebus, transit terminals, large heated passenger shelters, park and ride facilities, transit priority measures, etc. have been funded under this program. The 1996 Innovative Transit Program is funded solely by the City. Funding in the amount of $560,000.00 for the 1996 program was approved by Council as part of the 1996 Capital Estimates.

The 1986 Innovative Transit Program was cost-shared on an equal basis between the City of Winnipeg and the Province of Manitoba for a total budget of $478,400.00. After completion of all projects in the 1986 program, $18,124.00 in Provincial funding remains in the Downtown Passenger Amenities project. Reallocation of Provincial funds remaining in the 1986 program requires approval by the Province of Manitoba.

Airport Project

Compared to airports serving most Canadian cities, the Winnipeg International Airport is located in close proximity to the city centre. The 15 SARGENT route provides a 30-minute trip to downtown at frequent intervals during all time periods seven days a week, from a convenient bus stop located in front of the airport terminal building. Although the level of transit service to the airport is excellent, the following improvements would enhance service for visitors to Winnipeg and for persons working at the airport:

1. Upgrade the waiting environment at the airport bus stop to make the stop more attractive and comfortable, by providing a new passenger shelter, benches, waste receptacles, planters, decorative paving stonework, and information signage.

2. More detailed transit information (routing, schedule, fare, and bus stop location information) provided inside the airport terminal building in close proximity to the passenger arrival areas.

Preliminary discussions have been held with Transport Canada staff relative to the above improvements. Transport Canada is very supportive of initiatives to improve transit facilities at the airport and has identified as a priority the improvement of ground transportation information within the terminal building. Transport Canada has proposed a collaborative effort with Transit staff to develop the improved information.

In view of the foregoing, it is proposed that, as part of the 1996 Innovative Transit Program, $80,000.00 be allocated to upgrade the waiting environment at the airport bus stop and to improve the display of transit information inside the airport terminal building.

Report of the Committee on Works and Operations dated April 9, 1996

It is also proposed that the Province be requested to approve the reallocation of the balance of funds, totaling $18,124.00, in the Downtown Passenger Amenities project of the 1986 Innovative Transit Program, to the proposed airport project under the 1996 Innovative Transit Program.

Financial Status - 1996 Innovative Transit Program (Including Finance and Administrative Charges)	
1996 Innovative Transit Budget	$560,000.00
Less: Phase 1 Projects	230,000.00
Funds Available	330,000.00
Add: Funds Re-Allocated from 1986 Program	18,124.00
Funds Available After Re-Allocation	348,124.00
Less: Airport Transit Facilities Upgrade Project	80,000.00
Funds Available for Other Projects	$268,124.00

The Committee on Works and Operations therefore recommends:

I. That, as part of the 1996 Innovative Transit Program, funds be allocated to upgrade the waiting environment at the bus stop at the Winnipeg International Airport and to improve the display of transit information inside the airport terminal building.

II. That $18,124.00 in Provincial funding remaining in the Downtown Passenger Amenities project of the 1986 Innovative Transit Program be reallocated to the airport transit facilities upgrade project under the 1996 Innovative Transit Program.

III. That the Province of Manitoba be requested to approve the reallocation of funds identified in Recommendation II. above.

IV. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Adopted by consent.

Review of Consolidated Professor Mines Ltd.'s (CPM) Duport Gold Mine Project
File WW-3 (Vol. 11)

593 - 2. The Committee on Works and Operations has been advised that on December 22, 1995, the Ontario Minister of Environment and Energy received a letter from Consolidated Professor Mines Ltd. (CPM) requesting that an environmental review of the Duport Mine project be undertaken under The Ontario Water Resources Act and The Ontario Environmental Protection Act instead of The Ontario Environmental Assessment Act. The Province of Ontario has undertaken discussions with administrative representatives of the Province of Manitoba and the City of Winnipeg concerning the various review processes available and to identify the needs and concerns of the Province of Manitoba and the City of Winnipeg relative to project assessment.

The City of Winnipeg has indicated that an environmental review of this project should include hearing sessions, held in Winnipeg, to facilitate public involvement in the review process, and that it would be desirable to structure the process in a manner that maximized Manitoba involvement.

The Administration is of the opinion that, on balance, a thorough review of the project under The Ontario Water Resources Act and The Ontario Environmental Protection Act will adequately address all issues relating to the project, provided that: 1) cumulative impacts of development in the watershed are considered; 2) impacts of industrial accidents and the need for well developed contingency plans and performance securities are considered; 3) public hearings are held in Winnipeg to facilitate input from Winnipeg stakeholders.

Report of the Committee on Works and Operations dated April 9, 1996

The Province of Ontario has confirmed that a hearing session could be held in Winnipeg, to facilitate input from Winnipeg stakeholders, as part of hearings undertaken by Ontario to consider the project. The final decision on whether this will take place rests entirely with the Province of Ontario, as the project falls under Ontario jurisdiction. Preliminary discussions at an administrative level between the two provinces concerning a hearing session in Winnipeg have been favourable.

Members of the board conducting the hearing would be selected from a roster of candidates appointed by an Ontario Order-in-Council. Candidates are appointed based on qualifications and serve at the pleasure of the Premier of Ontario. This process is intended to ensure that projects receive an impartial arms-length review by a Board which is qualified to consider all issues as required under the appropriate Act. The Province of Ontario could appoint a Manitoba representative to a hearing board panel through an Ontario Government Order-in-Council, subject to a screening of the Manitoba representative similar to the process applicable to Ontario representatives. Whether this occurs, and the selection of this individual, are entirely at the discretion of the Province of Ontario. Members of the Manitoba Clean Environment Commission would likely be qualified to serve in this role.

The City of Winnipeg has undertaken discussions with the Province of Ontario concerning the availability of intervenor funding to cover the cost of Winnipeg's participation in the hearing process. Ontario's criteria for providing intervenor funding are based primarily on need and it is very unlikely that any funding would be available to the City.

Technical concerns may impact a decision by Ontario concerning the environmental review process for this project. Accordingly, Ontario requested that Manitoba and Winnipeg conduct technical reviews and forward their comments concerning the project. TetrES Consultants Inc. were retained by the Water and Waste Department to undertake a technical review of CPM's Duport Gold Project Draft Environmental Study, and to prepare a report including environmental issues related to the project. This report was provided to Ontario pursuant to their request. A copy of the report designated as Appendix B is on file in the office of the City Clerk.

CPM has made significant changes in order to reduce the environmental impact of the project (particularly within the Shoal Lake water shed) and to reduce the effect of the project on cottagers. Improvements which will reduce the environmental impact of the project are as follows:

1. All processing and tailings storage will be moved outside the watershed.

2. Only underground mining will be carried out inside the watershed. No ore processing will take place.

3. The processing of ore outside the watershed will include an additional state-of-the-art treatment process for cyanide destruction.

4. A year round ferry will be operated in order to eliminate a need for an ice road and the potential for accidents during freeze-up and spring thaw.

5. Because year round access will be feasible, camp-style housing will be eliminated at Stevens Island and all workers will reside off-site.

Further, in order to mitigate the concerns of cottagers, the following revisions have been made:

1. Noise barriers will be added to reduce the noise emanating from the mine site.

2. A ferry route for transport of ore has been developed which avoids most cottage development.

3. Transport of the ore from the ferry landing to the processing site outside the water shed will be by private road away from cottage development.

4. A property value plan has been introduced to protect cottage owners devaluation of their properties as a result of the mine development.

TetrES has identified technical concerns which should be addressed by the proponent as part of the environmental review process prior to approval of the project. In summary, these concerns are as follows:

Report of the Committee on Works and Operations dated April 9, 1996

1. The draft ES does not define target concentrations for effluent components, or concentrations at which these components would trigger corrective action, including process shutdown. Additional information and study is required on the projected mine effluent quality, particularly concerning the selection of a package sewage treatment plant, the performance of the bubbler system elsewhere in Canada, the establishment of effluent quality targets for both the mine and mill operations, and the potential impact on tailings management area decommissioning concerning the use of tailings as backfill in the mine.

2. The draft ES does not detail either contingency planning or spill response for the project. This is of particular concern at the Stevens Island mine site and with the ferry operation.

3. Any approvals or licenses issued concerning this project should ensure that annual reviews or audits are conducted, that a contingency and spill response for both the mine, ferry and mill operations are developed, that the mill and associated infrastructure roads and powerlines are restricted for use on transportation and processing of Stevens Island ore only, and that all aspects of the development including all roads and power transmission lines be decommissioned at the end of the project life.

4. Development of a gold mill and its related road and powerline infrastructure near the Shoal Lake watershed may promote further gold mining activity and cottage development in the area. The cumulative effect of this development is a potential concern. This project demonstrates the need for a Shoal Lake Watershed Management Plan to ensure that future development in this area does not compromise the Shoal Lake water quality.

Approximately 80% of shares in CPM have recently been acquired by Royal Oak Mines Inc. Royal Oak now has a controlling interest in CPM. Royal Oak's offer to purchase shares has been extended to March 29, 1996, with the objective of acquiring 90% of the shares. The Administration has been informed that this will allow Royal Oak to make CPM part of the Royal Oak organization instead of operating CPM as a separate company, although the change in ownership of CPM will not materially affect the nature of the proposed Duport Mining Project.

To ensure Winnipeg's participation in discussions at a political level between Manitoba and Ontario, the Committee on Works and Operations recommends:

I. That the draft communication designated as Appendix A be forwarded to the Minister of Environment, Province of Manitoba, requesting that he make arrangements for the Chair of the Committee on Works and Operations to be in attendance at any meetings between the Governments of Manitoba and Ontario concerning the Duport Gold Mine Project.

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Moved by Councillor Clement,
Adoption of the clause.

Carried.

Award of Contract for the Hauling and Land Application of Biosolids from the NEWPCC Biosolids Dewatering Facility - Tender No. P.D. 95-206
File GL-9 (Vol. 8) [c/r WS-7.1 (Vol. 3)]

594 - 3. On March 7, 1990, Council approved the award of a contract funded from the Current Estimates and having a duration of 4 years and 8 months for the hauling, processing and land application of sludge from the North End Water Pollution Control Centre sludge dewatering facility (Tender No. P.D. 89-262) to Mulder Construction & Materials Ltd.

Subsequently, on September 21, 1994, Council adopted the report of the Committee on Works and Operations dated September 2, 1994 approving an extension of the contract, Tender No. P.D. 89-262, beyond its expiry date

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of December 31, 1994 to June 30, 1995, and delegated authority to the Commissioner of Works and Operations to further extend this contract, if required, to June 30, 1996. On July 13, 1995, the Commissioner of Works and Operations approved the latter twelve month extension.

The City's biosolids program must comply with all the terms and conditions of Environment Act Licence No. 1089E which is subject to review in the future. During the past six years, the program has been successful at satisfying the requirements of the Licence and at gaining public acceptance.

Funds in the amount of $950,000.00 for the hauling and land application of biosolids are included in the 1996 Current Estimates identified as Sewage Disposal System Fund - Sewage Interception and Treatment - Account Number 44-552102-010316. Funds for subsequent years of the contract will be included in the Annual Current Estimates.

In view of the foregoing, the tender for the hauling and land application of biosolids from the NEWPCC biosolids dewatering facility (Tender No. P.D. 95-206) was publicly advertised on January 22, 1996 and a mandatory bidders' informational meeting was held on January 29, 1996 at the North End Water Pollution Control Centre.

The tender documents were again structured with two parts, such that the Form of Tender - Part 1 deals only with non-economic evaluation criteria, and the Form of Tender - Part 2 deals with the cost to perform the work. In effect, Part 1 is a prequalification process whereby the bidders' submissions are evaluated against the experience, manpower and equipment criteria specified in the documents. This approach was taken for the following reasons: 1) to ensure that only bidders who have demonstrated the capabilities and commitment to perform the specified work in accordance with the tender documents and Environment Act Licence No. 1089E proceed to having their Form of Tender - Part 2 opened; 2) to foster an objective approach to the evaluation of bidders without the prejudice and rationalization which is sometimes brought about by knowing the bid prices; and 3) to overcome the difficulties of not awarding to the lowest bidder should the lowest bidder not be qualified and responsible to perform the work. This tendering approach concurred with by the Materials Management and the Legal Services Divisions is the same as the previous 1989 tender.

The five non-economic bid evaluation criteria stipulated and utilized to evaluate the Forms of Tender-Part 1 are as follows:

1. Proven experience in biosolids haulage.
2. Proven experience in the application of biosolids (preferably dewatered biosolids) to agricultural lands through the broadest range of the year.
3. Project Manager and Application Foreman with suitable credentials.
4. Possession of suitable equipment (or willingness to invest therein).
5. Possession of a maintenance and overhaul facility complete with qualified heavy construction equipment mechanics, tools, manuals and parts inventory as well as a fully equipped mobile maintenance vehicle.

Five submissions were received on February 20, 1996, the final date for receipt of bids, from the following firms, namely: 1) Borland Construction (1989) Limited; 2) Elan Development Ltd. o/a Cambrian Excavators; 3) L. Chabot Enterprises Ltd.; 4) Mulder Construction & Materials Ltd.; and 5) Nelson River Construction Inc.

Following review of the Forms of Tender - Part 1, of the five submissions received, the Administration has advised that the following three bidders have met all five non-economic criteria as stipulated in Supplemental Condition SC:4 of the tender documents, namely:

1. Elan Development Ltd. o/a Cambrian Excavators
2. Mulder Construction & Materials Ltd.
3. Nelson River Construction Inc.

Accordingly, the Forms of Tender - Part 2 for the three above-referenced bidders were opened on March 15, 1996 (Tender Tabulations are outlined in Appendix A). The Forms of Tender - Part 2 submitted by the other two bidders were not opened but were offered to the bidders for pick up subsequent to the opening of the other three tender submissions. All five bidders were notified of their Form of Tender - Part 1 status on March 14, 1996.

Engineering and Operations staff of the Water and Waste Department are satisfied that the low tenderer, Mulder Construction and Materials Ltd., has the necessary resources to perform all of the work in accordance with the requirements of the specifications. In addition, the contractor has very satisfactorily carried out the hauling and

Report of the Committee on Works and Operations dated April 9, 1996

land application of biosolids from the NEWPCC biosolids dewatering facility since July, 1990.

The Department's pre-tender estimate was $6,608,000.00 which was prepared on the basis of the $5,500,000.00 low bid from the previous tender, the additional requirements which were included in this tender package and inflation since 1990. The two lowest bidders were very competitive with each other and significantly lower than the pre-tender estimate.

A contract term of 5 years was specified to allow the successful bidder to amortize the cost of the specialized equipment specifically required for this contract which has an estimated value of $1,500,000.00. Some of this specialized equipment has a very limited resale market. The multi-year contract also facilitates continuity of operations as well as continuity of administration by City staff and monitoring by Provincial regulatory authorities. For these reasons, the Administration has proposed that a contract with a term of 5 years funded from the Current Estimates be awarded in its entirety, vis-a-vis awarding only the first year of a multi-year contract with subsequent years awarded if and when future Current Estimates for the work are approved. In addition, the previous biosolids hauling and land application contract was awarded in this manner.

The Manager of the Materials Management Division has advised that each of the tender submissions was accompanied by a bid bond and an agreement to bond, which have been certified by Legal Services.

The Committee on Works and Operations therefore recommends:

I. That a contract funded from the Current Estimates having a duration of five years be awarded to Mulder Construction & Materials Ltd., the lowest bidder meeting the specifications, in the amount of $4,521,790.08.

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

Amendment to the Composition of the Waste Minimization Advisory Committee - Policy C320 File WT-1.3 (Vol. 18)

595 - 4. Council on July 8, 1993 amended the Waste Minimization Policy C320, which amendment included the composition of the Waste Minimization Advisory Committee.

On March 19, 1996, the Chairperson of the Waste Minimization Advisory Committee requested the Committee to appoint a Councillor representative from the Committee on Works and Operations to act as a liaison person to the Waste Minimization Advisory Committee. The Committee on Works and Operations appointed Councillor Thomas.

On April 9, 1996, the Committee on Works and Operations concurred in a further request from the Waste Minimization Advisory Committee that the composition of the Waste Minimization Advisory Committee be amended to include a Councillor representative, and therefore recommends:

1. That the composition of the Waste Minimization Advisory Committee, as outlined in Policy C320, be amended to include one Councillor representative from the Committee on Works and Operations;

2. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Adopted by consent.

Report of the Committee on Works and Operations dated April 9, 1996

Approval for Fund Transfer for the Watermain Renewal under Nairn Avenue from Grey Street to Panet Road
File WW-2.4(33) (Vol. 1)

596 - 5. On February 6, 1996, the Committee on Works and Operations approved for construction in 1996 the combined sewer renewal of Nairn Avenue from Grey Street to Panet Road.

UMA Engineering Inc., the Consulting Engineer for the Nairn pavement reconstruction has recommended that the watermain renewal under Nairn Avenue from Grey Street to Panet Road be renewed in September 1996 in order that the balance of the Nairn Avenue street reconstruction can be completed in 1997. The timing for the watermain renewal is critical as the construction works of the street reconstruction is extensive and any delay to the street works would reduce the possibility of completion of the reconstruction works in 1997.

Subsequently, on February 28, 1996, Council approved the pavement reconstruction and watermain renewal of Nairn Avenue, with the pavement reconstruction to be completed in two phases, namely: 1) east bound Nairn Avenue from Grey St. to Panet Road in 1996; and 2) the balance of the Nairn Avenue project for 1997.

Financial Status of Watermain Renewal Project - Nairn Avenue		
Watermain Renewal Reserve Available		$1,438,986.77
Nairn Watermain Renewal:		
Estimated Construction Cost	$850,000.00	
Engineering (12%)	102,000.00	
Materials Testing	4,300.00	
Sub-Total	956,300.00	
Contingency (10%)	95,600.00	
Sub-Total	1,051,900.00	
GST (3%)	31,600.00	
Total Estimated Cost	$1,083,500.00	$1,083,500.00
Estimated Watermain Renewal Reserve Residual		$355,486.77

The Committee on Works and Operations therefore recommends:

I. That funding of $1,083,500.00 for the renewal of the watermain under Nairn Avenue from Grey Street to Panet Road be accommodated though the Watermain Renewal Reserve.

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Adopted by consent.

1996 Local Improvements Program
1) Assiniboia Community
2) Lord Selkirk-West Kildonan Community
File SL(1996) (Vol. 1)

597 - 6. The Committee on Works and Operations has been advised that the following proposed local improvements were advertised on November 3, 1995 and that no adverse petitions were received as a result of the advertising.

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WARD	DESCRIPTION	PROJECT COSTS
Charleswood-Fort Garry	Ornamental Street Lighting on Woodgrove Street from Southwood Avenue to the first east/west lane south of Oakenwald Avenue	$12,000.00
Mynarski	Watermain on Andrews Street from Polson Avenue to Machray Avenue	$164,000.00
Point Douglas	Watermain on Buller Street from Magnus Avenue to Gilbert Avenue	$50,000.00
	Watermain on Fife Street from Redwood Avenue to Aberdeen Avenue	$70,000.00
	Watermain on Sargent Tommy Prince Street from Burrows Avenue to Selkirk Avenue	$170,000.00
Old Kildonan	Ornamental Lane Lighting on the first east-west lane south of Garden Grove Drive from Palms Boulevard to and including the north-south lane outlet to Garden Grove Drive east of Palms Boulevard	$13,000.00
	Ornamental Lane Lighting on all lanes in the block bounded by Raber Road and Burrows Avenue, Dexter Street and Albina Way	$50,000.00
	Ornamental Lane Lighting on lane in the block bounded by Sumter Crescent and Greenhoven Crescent	$12,000
TOTAL		$541,000

The Committee on Works and Operations therefore recommends:

I. That the local improvement projects outlined herein, in the total amount of $541,000.00, be approved for installation in 1996, to be funded from the 1996 Unused Borrowing Authority - Local Improvement Category.

II. That the City Solicitor / Manager of Legal Services be requested to prepare the necessary Local Improvement By-law in accordance with the foregoing and submit same directly to Council for approval.

III. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Adopted by consent.

Cost Recovery for Commercial Loading Zones - Amendment to Policy C367
File ST-5 (Vol. 22)

598 - 7. In March 1993, Council adopted a policy involving the cost recovery for the installation of commercial loading zone signs based on a flat fee of $200.00 (plus $14.00 GST) per sign. The application of this policy has resulted, in some instances, in complaints from applicants due to excessive charges.

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The actual costs of installing a typical 15 m long loading zone adjacent to a commercial property vary as follows:

DESCRIPTION	COST
Install or replace a single sign upon an existing street light pole or post	$60.00
Install or replace two signs upon existing street light poles or posts	$90.00
Install one sign, post and base assembly	$200.00
Install one sign, post and base assembly and replace a single sign upon an existing street light pole or post	$230.00
Install two signs, posts and bases	$370.00

The current fee structure was based on the assumption that each sign installation involved the installation of a sign, post and base. The Streets and Transportation Department advises that complaints have been received from applicants relative to the current flat fee of $200.00 charged per sign, particularly where the loading zone signage required replacement only on an existing street light pole or post and did not involve the replacement of the sign, post and base. In some instances, applicants have been charged $400.00 where two signs required replacement on an existing structure, and again, did not involve the replacement of the sign, post and base.

In areas where the boulevard contains a full width concrete sidewalk, there are significant costs involved in removing and restoring concrete to install a new post and base. However, these costs do not apply if the signs can be installed on a street light pole or sign post near at hand. Hence, it is considered more equitable to recover the actual cost of installing a loading zone rather than a flat fee.

The Committee on Works and Operations therefore recommends:

I. That Council amend the policy for on-street commercial loading zones to provide for financial recovery based on actual costs including overhead.

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Moved by Councillor Clement,
That the clause be referred back to the Committee on Works and Operations.

Carried.

Permit Fee and Liability Insurance for placing Planters on the Street Right-of-Way File ST-5.3 (Vol. 6)

599 - 8. The Committee on Works and Operations has been advised that the Streets and Transportation Department has received three applications for placing planters on the street right-of-way in the past year.

In this connection, the Committee on Works and Operations, at its meeting held on July 25, 1995, requested the Administration to review amending the policy to waive the permit fee related to the use of street right-of-way for the placement of planters and to develop procedures which would permit such installations under the City's in-house insurance.

Following review, the Administration advises that, although appropriately designed and positioned planters on the street right-of-way do enhance the image of the street, such installations must continue to be reviewed to ensure that traffic movement, public safety, and street maintenance are not compromised. The requirement for the applicant to obtain a permit for such an installation is an effective way of providing such a means of control. The permit fee, currently set at $46.00 plus GST, reflects only the cost associated with issuing the permit and is not intended to be a source of revenue. It is anticipated that five applications will be received annually. Consequently, the value of permit fees to be waived is not expected to exceed $230.00 annually.

Report of the Committee on Works and Operations dated April 9, 1996

If the requirement for liability insurance by the applicant for the placement of planters on the street right-of-way is waived, the City will add the name of each permit holder to a policy providing a limit of $250,000.00 liability insurance. The cost of approximately $75.00 annually per permit will be assumed by the City. Based on approximately five permits per year, the cost to the City would be $375.00 per year. Such coverage will be subject to a $5,000.00 self-insured retention. That is, the City would be responsible for the first $5,000.00 of any successful claim respecting damages or negligence. It should be noted that the potential for financial liability related to an accident involving this type of feature on the street right-of-way is reduced because of the stringent requirements being placed on the applicant, such as installation standards and specifications regarding set backs from the traveled portion of the roadway, height limitations to prevent visibility obstructions, weight limitations so as to be frangible if impacted by an errant vehicle, etc.

The Committee on Works and Operations therefore recommends:

I. That the permit fee (currently $46.00 + GST) to place and maintain planters within the public street right-of-way be waived.

II. That Section 4.07 of By-law No. 1481/77, being The City of Winnipeg Streets By-law, be amended to read as follows:

4.07 No person shall encumber or obstruct or cause to be encumbered or obstructed a street or portion thereof by any means whatsoever without first having obtained permission to do so from the Commissioner and paying the required permit fee as set out in Schedule "A" of this by-law and making such other deposits of funds as may be required, provided however that no such fees are payable where a permit is issued for the use of street for film production or for the placement of planters.

III. That the current requirement that the applicant for a permit to place and maintain planters provide evidence of additional liability insurance be waived and that permit holders be added to a liability insurance policy purchased by the City, subject to a $5,000.00 self-insured retention.

IV. That the City Solicitor/Manager of Legal Services be requested to prepare the necessary amending by-law for submission to Council.

V. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Moved by Councillor Clement,
Adoption of the clause.

In amendment,

Moved by Councillor Golden,
Seconded by Councillor Lazarenko,
THAT Recommendation III be amended by adding at the end thereof the following, namely:

"With no costs being assessed to the applicant."

Carried.

The motion for the adoption of the clause, as amended, was put and declared carried.

Report of the Committee on Works and Operations dated April 9, 1996

Cost Sharing with Manitoba Hydro the replacement of the 66 KV Line on Waverley Street between Bison Drive and the Perimeter Highway File HG (Vol. 3)

600 - 9. The Committee on Works and Operations has been advised that the proposed 1997-2001 Five-Year Capital Forecast includes engineering design and property acquisition in year 2001, for the widening of Waverley Street from Bison Drive to Kirkbridge Drive from two lane to four lane divided.

The Manitoba Hydro Act entitles Manitoba Hydro to use public rights-of-way for its poles, and conduits, etc. and requires that when relocation is necessary to improve a street, costs be apportioned. The Treasury Branch has set the apportionment as "shared equally". Therefore, when the relocation of Manitoba Hydro plant is required on capital projects, the relocation cost is shared on a 50-50 basis by each party.

Manitoba Hydro has a double wood pole line on the east side of Waverley Street which requires reconstruction. A request was made by Manitoba Hydro that the Streets and Transportation Department cost share the replacement of this line in advance of the above-referenced Waverley Street widening project. Manitoba Hydro and the Streets and Transportation Department have met on several occasions to review wood pole replacement and street widening options given the future widening project.

The Streets and Transportation Department have advised that although the Waverley Street right-of-way was of adequate width to construct two new lanes for northbound traffic on the east side of the existing roadway, it would be preferable to construct the new lanes on the west side of the existing roadway for southbound traffic and provide a berm for sound attenuation on the east side. This ruled out replacing the pole line on the west side because the land acquisition to widen the right-of-way will not occur until 2001. Manitoba Hydro also met with the area councillor and the residents association who were of the same opinion. In view of the foregoing, the only viable option for Manitoba Hydro would be to replace the double wood pole line with a single pole line designed to accommodate the future berm and future intersection improvements as shown on Figure 1, designated as Appendix A. The new poles are 1.5m higher than necessary in order that they can accommodate street lighting in the future. Replacement of the 66 KV pole line is to proceed on this basis.

The total cost of Manitoba Hydro's project to rebuild their 66 KV lines is $900,000.00 from McGillivary Boulevard to the Perimeter Highway. The cost from Bison Drive to the Perimeter Highway is $500,000.00. Manitoba Hydro has requested that the Streets and Transportation Department pay a share of these costs in advance of the future widening project. The cost share requested against street improvements is $130,000.00 which is 50% of the additional cost to upgrade to a single pole line instead of refurbishing the existing double pole line (26% of the total cost) from Bison Drive to the Perimeter Highway. Winnipeg Hydro has reviewed the proposed work and cost estimate and has concluded that the estimate of the work from Bison Drive to the Perimeter Highway is $500,000.00 and the cost sharing requested by Manitoba Hydro is reasonable.

It is the view of the Streets and Transportation Department that the City should contribute $130,000.00 towards the cost of the pole line reconstruction in view of the fact that the need to modify this pole line will be eliminated when the street widening occurs in the future. This initiative will reduce the cost of installing street lighting in the future and accommodate a future berm between the existing roadway and the residential property to the east as it is more aesthetic and will encourage future planning and cooperation with Manitoba Hydro on other street widening projects. The total estimated project cost is $141,000.00 including GST and finance and administration costs. Approval of this expenditure will enable the City to reimburse Manitoba Hydro for the City share of the cost to replace the 66 KV line on the east side of Waverley Street from Bison Drive to the Perimeter Highway.

The Committee on Works and Operations therefore recommends:

I. That surplus funds in the amount of $141,000.00 from the Waverley Street and Bison Drive intersection improvement, as outlined on Page 23 of the 1993 Capital Estimates, be used to pay for the City share of rebuilding the Manitoba Hydro 66 KV line on Waverley Street between Bison Drive and the Perimeter Highway.

Report of the Committee on Works and Operations dated April 9, 1996

II. That the Proper Officers of the City be authorized to do all things necessary to effect the intent of the foregoing.

Copy of attachment referred to in the above clause is on file in the office of the City Clerk.

Adopted by consent.

COMMITTEE ON WORKS AND OPERATIONS

CONSIDERATION OF BY-LAWS

601 - On motion of Councillor Clement, By-law No. 6822/96, a By-law of The City of Winnipeg to amend By-law No. 6546/95, being a by-law of the said City to regulate the construction, maintenance and removal of private approaches and private walks was read a first, second and third time, the rule being suspended for the third reading, and was passed and ordered to be signed and sealed. File SC-1 (Vol. 41)

COMMITTEE ON WORKS AND OPERATIONS

QUESTION PERIOD

602 - Councillor Angus referred to the recent campaign against BFI and the landfill and requested an update on returned surveys and the costs associated with the campaign itself.

Councillor Clement replied that the cost was approximately $100,000 and added that the results would be put together in a package for presentation to the Provincial Minister.

Councillor Golden questioned whether the alternative of becoming BFI's competition and refusing to enter into any contracts with BFI had been considered as an alternative to the $100,000 campaign and raised with BFI.

Councillor Clement replied in the negative.

Councillor Golden requested that Councillor Clement canvass that option with BFI.

Councillor Clement noted that Executive Policy Committee had discussed the issue and had chosen the current direction and that the City didn't own the commercial garbage and would have legal difficulty in cutting BFI out of the contracts with commercial customers. Councillor Clement further noted that the $100,000 cost was not exorbitant, given that the cost to the citizens for this landfill would be $7 million per year.

Councillor Timm-Rudolph questioned the procedure for the distribution of the brochures on the BFI issue and inquired why certain areas of Winnipeg were being left out.

Councillor Clement advised that it was his understanding that the brochures were being distributed to all citizens of the City of Winnipeg and that Claudia Engel Boyce should be contacted with any distribution concerns.

Councillor Timm-Rudolph referred to pick up problems concerning recycling and questioned what problems were being encountered at this time.

Councillor Clement stated that the Laidlaw people had been invited to answer questions on problems at the next meeting of the Committee on Works and Operation. He further noted that he was aware of problems with communication, some of which were the City's fault in terms of garbage routes not being clearly mapped, and some things missed because some people were on different garbage cycles. He added that last week Laidlaw had implemented a service utilizing a van to service problems. He further noted that if, for any

Committee on Works and Operations - Question Period (continued)

reason, a vehicle went through its route and missed boxes, on receipt of a phone call Laidlaw would send the van to pick up anything missed.

Councillor Clement added additional remarks in response to comments in the media regarding Councillors being misled by the administration as to the cost of recycling. Councillor Clement stated that he had never been under the impression that the City was going to be able to do the recycling program without tapping into Provincial funds, and in praising the cost estimates, noted that the recycling program was covering itself this year.

Councillor Timm-Rudolph questioned if the dollars per ton for recycled goods dropped below $8.00, if the City would have to use some of the money received to offset the cost in the future?

Councillor Clement answered in the affirmative and stated that the numbers had been extrapolated and were projected to be approximately $1 million for the future out of tipping fees, but that for the short term there was no cost. He further noted that the administration was using $60 per ton, which was accurate to date.

Councillor Murray requested an update on a previous question, pertaining to why the recycling trucks were not going out, why the snow plowing was so bad and whether the combination of the two was the reason that we didn't have recycling.

Councillor Clement agreed to take the question under advisement and agreed to report back to Councillor Murray.

The Deputy Speaker advised that on Council's direction, Council would here proceed to consider the order of business "Report of the Committee on Finance and Administration, dated April 1, 1996".