EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

Minute No. 39
In noting that on July 26, 2006, Council endorsed the creation of a Poverty Reduction Council, provided the United Way of Winnipeg with one time start-up funding of up to $45,000 and appointed the former CAO to the committee, Councillor Gerbasi inquired if there had been a new appointment to the committee and requested an update on what the committee had achieved to date.

His Worship Mayor Katz advised that the committee had met and he expected to receive a report from them prior to year end. He further advised that while the decision had not been finalized, the acting CAO would be part of the committee in the interim.

Councillor Gerbasi asked if the Winnipeg Public Service had written a report on the issue of privatization of the rail line to Shoal Lake. His Worship replied that he was not aware of any dialogue regarding the privatization of the rail line but indicated that they were exploring whether or not the City requires a rail line or if there were other options of accomplishing the goal and agreed to follow up on the matter.

Councillor Gerbasi inquired if the City of Winnipeg would continue to fund the Winnipeg Housing and Homelessness Initiative programs, or even increase the funding as suggested by the Winnipeg Housing Steering Committee, if the Federal Government decided not to continue with the program following its expiration in March 2008.

His Worship Mayor Katz advised that he had taken the initiative to make the financial contribution to the Winnipeg Housing and Homelessness Initiative a line item in the current budget, showing his commitment to the project. He further acknowledged that the program should be continued, and stated that conversations would take place during the operating budget discussions regarding potential increases. He further stated that it was incumbent upon every Member of Council to let the Federal Government know that this was a valuable program.

Councillor Vandal noted that His Worship had made promises in June of 2004 to create a Public Utility style board to oversee water and sewer utilities and had committed to end the transfers from the sewer and water utilities to general revenue. He further noted that since that time approximately 130 million dollars had been transferred from the water utilities to general revenue, and asked His Worship why he had broken his election promise.

Executive Policy Committee – Question Period (continued)

His Worship referred to the motion that had been tabled in regards to Item 2 of the Report of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 13, 2007, which read "Whereas Mayor Katz committed in his election platform of 2004 to end the long standing practice of transferring funds to general revenues from the water and sewer utilities and committed to bring the utilities to a position where their rates could be subject to a standard public utility board review if desired". He noted that he was the only candidate running for Mayor who had made that commitment and the reason he made that commitment was because the policy was wrong. He added that it was totally inaccurate to use the term "broken promise" as he expected to accomplish that commitment, with the support of Council, during his term as Mayor.

Councillor Vandal asked His Worship if the 130 million dollars could have gone to better use in trying to address environmental requirements under the Clean Environment Commission rather than going to general revenue.

His Worship stated that the City faced serious problems when he became Mayor that were not created by the current Members of Council and projections that had been made for revenues turned out to be inaccurate. His Worship advised that the funds were used to solve these and other problems and that this would continue until Council changes the practice, noting that the referenced motion was tabled to address this issue.

In reference to Item 2 of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 13, 2007, that proposed a 12 percent increase for water and sewer users for 2008, which represented a 25 percent increase in only two years, Councillor Vandal questioned if His Worship felt that it was appropriate to transfer 32 and a half million dollars in 2008 to general revenue. His Worship replied that he would defer that question until Council debated the issue later in the Agenda.

Councillor Smith requested an update on the 200 million Olywest pork processing plant project and inquired about the status of the 10 million dollars in local improvements associated with the project; to which His Worship replied that the project was not taking place.

Councillor Smith inquired whether they had communicated with the City at all to which His Worship replied that he had had no communication with Olywest but that he was aware that there had been some communication between Olywest and the Province.

In noting that the Mayors of Toronto and Mississauga had been waging a campaign to get increased Federal dollars for cities, Councillor Smith asked the Mayor why he was not joining them in the fight for increasing Federal funding for cities.

Executive Policy Committee – Question Period (continued)

His Worship replied that there may be some mayors looking for headlines, but that this was an issue that every mayor in every city that he'd ever been to fully endorsed, whether it was getting a share of the GST or some other growth based revenue from the Federal Government.

In noting that questions remain about the true and accurate amount of savings realized in contracting out residential garbage collection, concerns about monopolization by one company, and possible hidden costs related to keeping the landfill open later at night, Councillor Gerbasi asked if His Worship would agree to have the Auditor evaluate the whole notion of 100 percent contracting out of garbage that Council approved a few years ago.

His Worship replied that according to the Water and Waste Department, the City saved 2.4 million dollars per year in 2006 and 2007 and, as one of the years was prorated, the entire savings was 4.3 million dollars. In response to the request to have the Auditor look into the matter, His Worship indicated that Council does not tell the Auditor what to do but indicated that he would certainly suggest that the Auditor should look into the matter further to determine whether or not the savings are actual.

In reference to the 350 million dollars that the City had in various reserve accounts, Councillor Vandal inquired if the Mayor would consider dipping into those reserve accounts rather than gouging Winnipeggers for another 12 percent water rate hike in 2008 to which His Worship replied that he would address the issue when it was considered later in the meeting Agenda.

Councillor Vandal questioned what the plans were for the operating budget in terms of property taxes and business taxes in 2008. His Worship indicated that the capital budget was just being completed and that the operating budget process would commence shortly. He added that he had heard of no inclination from any Councillors to raise property taxes so the goal would likely be to maintain the current level. In reference to business taxes, he stated that the process had started and business taxes had been lowered by 20 percent across the City and any further reductions would be part of the operating budget process, which had not yet commenced.

Councillor Vandal inquired if His Worship had any concerns with reducing property taxes in 2008, while water and sewer rates had been raised 25% over the last two years. His Worship reiterated that he would address the questions when the issue was debated later in the agenda.

Councillor Thomas referred to the Mayors commitment to reduce senior rates at the transit fare box and asked what rate the seniors were paying when he first got elected, what rate they are paying now, and what rate they would be paying after the increase to the senior fares was approved. His Worship replied that he did make a reduction in senior's transit after being elected and the rates of seniors passes were frozen in the proposal coming forward.

Executive Policy Committee – Question Period (continued)

Councillor Smith asked what happened with the 10 million dollars in local improvements with the pork processing plant. His Worship replied that nothing was going to proceed until the plant became a reality, and as the plant would not become a reality, nothing had been proceeded with.