REPORT OF THE

COMMITTEE ON WORKS AND OPERATIONS

DATED FEBRUARY 8, 1994

On motion of Councillor Duguid, the Report of the Committee on Works and Operations, dated February 8, 1994, was considered clause by clause.

Moved by Councillor Duguid,
That Consent Agenda, Clauses 1,2 and 3, be adopted.

Carried.

427 - Councillor Golden asked to be recorded as having voted against Clause 3, in accordance with Rule 50.7 of the Procedure By-law.

Her Worship the Mayor and Councillors:

Award of Contract for the Removal of Aquatic Vegetation from Stormwater Retention Basins File GL-9 (Vol. 6)

428 - 1. Your Committee on Works and Operations has been advised that tenders for the award of contract for the removal of aquatic vegetation from Stormwater Retention Basins closed on January 20, 1994, with bids being received as follows:

Sakimay Water-Aquatic Weed Harvesting	$179,562.47*
Mulder Construction and Materials Ltd.	$294,810.00
Enviro Pro Contracting and Consulting Inc.	$482,062.80

* Non-responsive tender "Bid Irregularity".

The tender recommended for acceptance is the lowest responsive tender meeting all requirements of the specifications. This offer is open for acceptance until March 21, 1994.

The work on this contract requires an investment by the contractor in specialized machinery, the recovery of which is not economically feasible in a one-year contract. Administration is of the opinion that a contract with a three-year term be awarded in its entirety. A three-year contract is also in accordance with Section 6.4 of the Stormwater Retention Basin Review Study, December 1992, adopted by Council on July 22, 1993, which recommends that the City of Winnipeg implement a comprehensive weed and algae management program for all stormwater retention basins operated and maintained by the City. The objective of the program is to provide a practical management plan and implementation process based on thresholds for management action, with the most cost effective, practical management methods available. A multi-year contract is the most cost effective method of weed control management.

Sakimay Water-Aquatic Weed Harvesting submitted the lowest bid in the amount of $179,562.47. However, it is the Administration's opinion that their bid be deemed non-responsive in accordance with Clause 4(e)(i) of the City of Winnipeg Purchasing Policy because this bidder added unit prices to the Schedule of Price sheet which were not called for in the original form of tender. The additional unit prices obscure the total tender amount to the extent that it is indeterminate and could exceed $300,000.00.

The tender documents state in Clause BI:22 that the City may reject a bid as informal if the Tender Submission is incomplete, obscure or conditional or contains additions, deletions, alterations or other irregularities.

Since the contract is a multi-year contract funded from the Current Estimates, the award must be referred to Council.

Your Committee on Works and Operations recommends:

I. That a three-year term contract be awarded to Mulder Construction and Materials Ltd., the responsible bidder submitting the lowest responsive tender in the amount of $294,810.00.

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II. That the Proper Officers of the City do all things necessary to implement the foregoing.

Adopted by consent.

Proposed Winnipeg River Health District
File H (Vol. 5)

429 - 2. On December 17, 1993, Council adopted Clause 1 of the Report of the Committee on Works and Operations dated November 30, 1993, which recommended the following:

I. Inclusion of Winnipeg Hydro's Pointe du Bois townsite in the proposed Winnipeg River Health District for a three-year trial period with the intent to review participation at that time.

II. Appointment of Mr. R. T. Neumann, Power Plants Superintendent, as the City's representative to the board of the proposed Winnipeg River Health District for a term of three (3) years.

III. The principle of cost sharing any operating and capital expenditures (unapproved deficit) of the proposed health district which are not reimbursed by the Manitoba Health Services Commission or otherwise recovered through grants or users fees, on a per capita basis amongst the municipal entities participating in the Winnipeg River Health District.

IV. The Proper Officers of the City be authorized to do all things necessary to implement the above recommendations, including signing and execution of an agreement with the Manitoba Health Services Commission and the other municipal entities participating in the Winnipeg River Health District.

Your Committee on Works and Operations has been advised by the Province of Manitoba that the naming of a specific individual in legislation is undesirable because of the difficulty in amending the legislation should a change become either necessary or desirable.

Although Council will have the right to review this arrangement after a three-year period, and to apply for amendments should any be necessary, the Province will retain the authority governing any such amendment.

Your Committee on Works and Operations recommends that Clause 1 of the Report of the Committee on Works and Operations, dated November 30, 1993, as adopted by Council on December 17, 1993, be amended as follows:

I. That Recommendation No. I be amended to read as follows:

"Inclusion of Winnipeg Hydro's Pointe du Bois townsite in the proposed Winnipeg River Health District with the intent to review participation within three (3) years time."

II. That the name "Mr. R. T. Neumann" be deleted from the first line of Recommendation 2. and substituted with the following words, "Power Plants Superintendent or a person who is a resident of Pointe du Bois."

Adopted by consent.

Revenues Collected for Water and Sewer
Reserve Funds File FE(1994) (Vol. 1)

430 - 3. Your Committee on Works and Operations has considered Clause 9 of the Report of the Executive Policy Committee, dated January 12, 1994, relative to revenues collected for water and sewer reserve funds, which was referred to it by Council on January 26, 1994, namely:

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9. On December 15, 1993, your Executive Policy Committee considered the 1994 Current Estimates for the Ambulance Services, Equipment and Material Services, Transit, Hydro, Waterworks, Sewage Disposal and Solid Waste Disposal System, from the Chief Commissioner dated December 2, 1993.

Council, on December 23, 1987, in approving the water and sewer rates for 1988, established the principle of both utilities transferring 10% of sales and/or rentals to the tax-supported budget.

Council, on December 18, 1991, in approving the water and sewer rates for 1992, established the principle of setting aside funds for capital expenditures expected to be required in the near future for major rehabilitation works on the aqueduct in the amount of 2 cents per 100 cubic feet per block. In the year 1993, the amount was increased by 3.5 cents.

Council at its reconvened meeting on December 17, 1993, adopted the 1994 Utility Current Budget, with respect to fees, rates and charges for the Ambulance Services, Equipment and Material Services, Transit, Hydro, Waterworks, Sewage Disposal and Solid Waste Disposal Systems.

Contained in the 1994 Utility Current Budget, under the Sewage Disposal System, is the establishment of a reserve fund for environmental studies of river quality, beginning at 2 cents per 100 cubic feet in 1994.

It is expected that some sort of water treatment program will be required in the future. The program is estimated to cost between $180 million to $280 million. The water rates contained in the 1994 Utility Current Budget include the establishment of a reserve in 1994 for this purpose starting at 6.5 cents per 100 cubic feet and increase annually.

In establishing the above reserves, the assumption was made that the monies collected for these purposes would not form part of the 10% from the utilities to the tax-supported budget.

Your Executive Policy Committee is advised that Council is being requested to determine its Policy regarding the transfer of 10% from the Water Treatment Reserve, Aqueduct Rehabilitation Reserve and River Quality Environmental Studies Reserve.

The following two options are available in this connection:-

Option A

Continue with the assumption that all revenues collected for the reserves will remain in the reserves and not be subjected to the 10% transfer from the utilities to the tax-supported budget.

The following would be the financial implications of allowing a 10% transfer from the reserves:

Water Treatment Reserve	*$39,541.805.00*
Aqueduct Reserve	*$42,930,063.00*

This change in policy would cause the utility to debt fund in the amount of the ongoing operation costs including the mill rate budget. The Water Utility is facing substantial increases in rates, i.e. 1994 rates are projected to increase 9.7% to 13%, at the same time as the mill rate has experienced substantially lower increases.

Option B

This option would subject these reserves to a 10% transfer to the tax-supported budget.

For the past few years, Council has been attempting to diversify its sources of revenue to relieve the burden on property taxes. If these reserves were subject to the 10% transfer to the tax-supported budget, it would assist in this respect and provide consistency of approach. In effect, the future savings of the utilities would accrue to the property tax payer today in terms of reduced taxes. This trade-off is most appropriately determined by Council.

Your Executive Policy Committee therefore recommends:

I. That all revenues collected for the reserves will remain in the reserves and not be subjected to the 10% transfer to the tax-supported (current) budget. (Option A)

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

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Your Committee on Works and Operations concurs with the recommendations contained within Clause 9 and submits the matter to Council for favourable consideration.

Adopted by consent.

(Note: See Minute No. 427 for opposition recorded by Councillor Golden)

COMMITTEE ON WORKS AND OPERATIONS

CONSIDERATION OF BY-LAWS

431 - On motion of Councillor Duguid, By-law No. 6319/94, a By-law of the City of Winnipeg to close part of Borebank and Carpenter Streets and related lanes between Brockville and Paget Streets, Stovel Street and Sterling Lyon Parkway, was read a second and third time, and was passed and ordered to be signed and sealed. File DAC 17/90.

On motion of Councillor Duguid, the following by-laws were each read a first, second and third time, the rule being suspended for the third reading of each by-law, and were passed and ordered to be signed and sealed; namely:

By-law No. 6345/94, a by-law of the City of Winnipeg to open the northwest corner of Panet Road and Dugald Road. File DAO 5/93

By-law No. 6347/94, a by-law of the City of Winnipeg to amend By-law No. 1573/77, being The City of Winnipeg Traffic By-law. File ST-5.2 (Vol. 20)

COMMITTEE ON WORKS AND OPERATIONS

QUESTION PERIOD

432 - Councillor Golden requested a response to his question posed in a previous Council Meeting relating to snow-clearing activities which occurred on January 1, 1994 at 2:36 a.m.

Councillor Duguid noted that the matter was currently being investigated by the Operations Department and that he was awaiting an imminent response and would apprise Council accordingly.

Councillor Golden noted that Councillors had been receiving complaints from constituents regarding unnecessary snow-clearing and questioned what changes Councillor Duguid would be recommending to the Committee on Works and Operations for snow-clearing for the remainder of the year.

Councillor Duguid noted that he would address each Councillor's complaints with the Operations Department.

Councillor Golden requested that Councillor Duguid recommend to the Committee on Works and Operations, changes to the snow-clearing policy to reflect seasonal variations.

Councillor Duguid noted that he would raise the issue with the Committee.

Councillor Angus noted that he had also had complaints from his constituents on unnecessary snow-clearing and noting the C.U.P.E. regulations concerning snow-clearing, requested Councillor Duguid to discuss the issue with C.U.P.E. to provide for flexibility in job descriptions.

Councillor Duguid concurred with Councillor Angus' position and noted that he would be acting on the matter.