REPORT OF THE

COMMITTEE ON FINANCE AND ADMINISTRATION

DATED MAY 31, 1993

On motion of Councillor Eadie, the Report of the Committee on Finance and Administration, dated May 31, 1993, was considered clause by clause.

Moved by Councillor Eadie,

That the Consent Agenda items, Clauses 1,2,3,4,5 and 6 be adopted.

Councillor Golden requested that Clauses 3 and 5 be pulled from the Consent Agenda.

The motion to adopt the Consent Agenda, Clauses 1,2,4 and 6 was put and declared carried.

Her Worship the Mayor and Councillors:

The Delegated Authority to the City's Employees to Settle Claims made Against the City File GL-3 (Vol. 3)

723 - 1. Your Committee on Finance and Administration at its May 31, 1993 meeting considered a report dated March 5, 1993 with respect to the delegated authority to the City's employees to settle claims made against the City.

Section 114(1) of The City of Winnipeg Act states that

"The Council may, subject to such conditions as it may prescribe, delegate to its solicitor, or other employee of the city, the authority to settle any claim, or any specified kind of claim, against the city".

In 1972, Council passed By-law Nos. 15/72 and 141/72 delegating authority to the City Solicitor and the Claims Manager to settle claims made against the City for amounts not exceeding $1,000.00 for any one claim and in 1979 the limit of that authority was increased to $1500.00 by By-law No. 3278/79.

Again in 1991, By-law No. 5708/91 increased the City Solicitor's limit from $1,500.00 to $2,500.00 while the limit for the Superintendent and the Claims Supervisors of the City's Claims and Insurance Branch remained at $1,500.00.

During 1992, the City established a Process Management Team to examine the Claims Section of the City's Finance Department and gave it a mandate to,

"Define customer needs exactly, evaluate organizational structures, review plans for technology, recommend levels of discretion and necessary legal documentation, review alternate means of dealing with costly tree root claims, propose specific turnaround targets for all claim types."

The Claims Section Process Management Team surveyed people who had made a claim against the City, in order to determine what the Claims Section does well, and where they need to improve. While the survey results showed that the Claims Section does some things well (for example over 90% of the respondents indicated that the Claims Staff listened to them and were courteous), 40% of the respondents indicated that they felt their claims were not handled on a timely basis. In the Team's Problem Statement and the Call to Action, the Team stated,

"The claims handling process must be examined to determine why it takes so long to process the claims, and to recommend what action should be taken in order to reduce overall processing time."

One of the Team's recommendations was to increase the payment approval level for the Superintendent of Claims and Insurance and the Claims Supervisors to $5,000.00. At present, all claim settlements above $2,500.00 have to go to the Committee on Finance and Administration for approval. The data for 1990, 1991 and 1992 showed that 62% of the claims above $2,500.00 are less than $5,000.00. Allowing the Claims' staff to settle claims up to $5,000.00 will save the City money and reduce the claims processing time on these claims by six to eight weeks.

In view of the fact that the Team is recommending that the Claims staff be empowered to settle claims up to $5,000.00, it was thought to be prudent to increase the payment approval level for the City Solicitor to $10,000.00.

Report of the Committee on Finance and Administration, dated May 31, 1993

The date for 1990, 1991 and 1992 show that 82% of the claims above $2,500.00 are less than $10,000.00.

Your Committee on Finance and Administration submits draft by-law to amend By-law No. 3349/83 and recommends:-

I.That By-law No. 5708/91 be repealed.

II.That the limit of the authorization granted to the following employees of the City of Winnipeg with respect to the settlement of claims made against the City be increased as follows:

	From	To
City Solicitor	$ 2,500.00	$ 10,000.00
Superintendent of Claims and Insurance	1,500.00	5,000.00
Claims Supervisor	1,500.00	5,000.00

III.That your Committee on Finance and Administration be provided with an annual statistical report on settled claims less than $5,000.00 and a quarterly statistical report on settled claims between $5,000.00 and $10,000.00.

IV.That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

Temporary Use of City Lands North of Wilkes Avenue, West of C.P.R. Right-of-Way File FI-2(31) (Vol. 1)

724 - 2. Your Committee on Finance and Administration has considered Item No. 2 of Report No. 1A of the Technical Advisory Committee on City Properties dated May 14, 1993 (File Nos. 32/4416, 32/4417 and 7635) with respect to the above-referenced temporary use of lands located in the Assiniboia Community.

The Million Dollar Hole-In-One Competition, a charity fund raiser donating all proceeds to the Jets Goals for Kids Fund, to be held August 20 to 29, 1993, has requested permission to use City-owned lands located east of the Kingswood Golf Dome shown on Misc. Plan No. APFG 8210/6.

Terms and conditions of the proposed lease, as outlined on Schedule "A", provide for a rental of $1.00 with the Lessee providing appropriate liability insurance.

Your Committee on Finance and Administration recommends:-

I.That the temporary lease of City lands to the Million Dollar Hole-In-One Competition in accordance with the terms and conditions outlined in Schedule "A" be approved;

II.That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

(Note:Attachments referred to in the above clause are on file in the office of the City Clerk)

Report of the Committee on Finance and Administration, dated May 31, 1993

Sale of Vacant Site on Parker Avenue for a Manitoba Telephone System Cellular Tower File FI-2.4(31) (Vol. 1)

725 - 3. Your Committee on Finance and Administration has considered Item No. 3 of Report No. 1A of Technical Advisory Committee on City Properties dated May 14, 1993 (File 7473) with respect to the above-referenced sale of lands located in the Assiniboia Community.

The subject property shown as Parcels A and B on Misc. Plan No. ASBA 8722, was acquired as part of a larger parcel by way of a land exchange for Streets and Transportation purposes and is surplus to the Streets and Transportation Department's requirements.

The Manitoba Telephone System (M.T.S.) offered $26,000.00 in order to purchase the property for the installation of a 125 foot high Cellular Communication Tower. The District Planning Branch, the Streets and Transportation Department and the South West District Operations have no objections to the sale.

The sale of the property is subject to the Purchaser obtaining the necessary variances for installation of the Cellular Communication Tower as well as the arrangement for the required survey being at the expense of the Purchaser. The balance of the terms and conditions are standard for the sale of City lands with the exception of waiving the requirement to construct a building on the site.

The Land Surveys and Real Estate Department deemed the proposed offer acceptable considering the following: the location of the property in relationship to the railway works yard and operating rail right-of-way; the ongoing apparent use of the property by CN for access purposes; the lack of direct access from Pembina Highway; and, the land to the south and west being utilized for single family residential purposes.

At its special meeting held on March 22, 1993, Council, in considering revenue sources for the 1993 Current Estimates, directed that in the "Sale of City of Winnipeg Lands, which were acquired by a variety of means, including tax sales, which are determined to be surplus to the City's needs [the net sale proceeds therefrom will be credited to the revenue requirement of] $5,000,000.00".

Although the Assiniboia Community Committee, at its meeting held on May 18, 1993, reserved comment pending a Manitoba Telephone System rezoning application, the Land Surveys and Real Estate Department referred the matter back to the Community Committee for further consideration as the Department determined that M.T.S. need only apply for a zoning variance. As such, the Land Surveys and Real Estate Department is processing this proposed sale concurrently with the Community Committee review process in order to accommodate the Purchaser's wish to expedite the process.

Your Committee on Finance and Administration recommends:-

I. That subject to Manitoba Telephone System conducting a public consultation process and the subsequent approval of the Assiniboia Community Committee, the sale of the subject property to the Manitoba Telephone System at a price of $26,000.00 be approved;

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Moved by Councillor Eadie,
Adoption of the clause.
Carried.

Report of the Committee on Finance and Administration, dated May 31, 1993

Encroaching Entry Gates and Fences -
Whidden Gate and Sterling Lyon Parkway File ED(31) (Vol. 1)

726 - 4. Your Committee on Finance and Administration has considered Item No. 4 of Report No. 1A of the Technical Advisory Committee on City Properties dated May 14, 1993 (File 6340/23) with respect to the above-referenced encroachment in the Assiniboia Community.

Genstar Development Company has requested permission to maintain an existing encroaching entry gate and fence at the intersection of Whidden Gate and Sterling Lyon Parkway, similar to those at the other major entrances to the Lindenwoods Subdivision.

The Committee on Planning and Community Services approved the request and referred the matter to the Land Surveys and Real Estate Department to determine terms and conditions of agreement.

Negotiations between the City and Genstar have resulted in agreement to the terms and conditions outlined in Schedule "A".

The Technical Advisory Committee on City Properties in considering this matter was advised of the Streets and Transportation Department's concern regarding the phrase "based on actual occurrences" contained in term 6.(a) and recommends deletion of the phrase to permit the removal of these facilities at the discretion of the Commissioner of Works and Operations rather than being required to wait for damage or injury to occur.

Your Committee on Finance and Administration recommends:-

I. That the agreement between the City and Genstar Development Company for maintaining the existing encroachment be approved in accordance with the terms and conditions outlined in Schedule "A" subject to the deletion of the phrase "based on actual occurrences" from term 6.(a) and subject to Genstar Development entering into an agreement satisfactory to the City Solicitor.

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

(Note:Attachments referred to in the above clause are on file in the office of the City Clerk)

Elmwood Cemetery File PC (Vol. 3)

727 - 5. On May 2, 1985, the Elmwood Cemetery Company submitted a request to (then) Mayor Norrie for the City to take over the operation of the Elmwood Cemetery. On May 17, 1985, that request was referred to the Board of Commissioners, who referred the matter to the General Manager of Parks and Recreation for consideration and recommendation.

The Parks and Recreation Department recommended on November 25, 1985 "that the City of Winnipeg not enter into negotiations for take-over of the Elmwood Cemetery", with which Standing Committees concurred. Subsequently, on February 28, 1991, the Elmwood Cemetery, 132 Henderson Highway was sold in tax sale for $104,972.93.

On March 16, 1992, your Committee considered a request from the President of the Cemetery for a grant in the amount of taxes owed to the City, which request was referred to the Commissioner of Finance and Administration for report.

On June 2, 1992, your Committee authorized the Administration to enter into negotiations with the Elmwood Cemetery Company for the purpose of avoiding taking possession of the Cemetery while securing some portion of the outstanding taxes and the payment of future taxes, in accordance with the recommendations contained in report dated May 14, 1992 from the Commissioner of Finance and Administration (Appendix "A"). Subsequently, a written proposal was received from Elmwood Cemetery Company on November 25, 1992 which proposal was referred to the Land Surveys and Real Estate Department (Appendix "B").

Report of the Committee on Finance and Administration, dated May 31, 1993

The Department concluded that the proposal would not improve the property tax problem and that the entire venture proposed appeared risky and even under the most optimistic assumptions would not appear to be able to generate enough money for Elmwood Cemetery's perpetual care fund.

Another option considered was to seek a judgement on the McGillivray Boulevard property for the value of outstanding taxes of the Elmwood Cemetery. While the Elmwood Cemetery Company owns the McGillivray Boulevard property, the Elmwood Cemetery is owned by a subsidiary called Elmco Ventures Limited and therefore the assets of the Elmwood Cemetery Company cannot be attached to satisfy debts of Elmco Ventures Limited.

The 1991 Consolidated Financial Statements of The Elmwood Cemetery Company indicate annual revenues of $250,000 of which $105,000 is provided by the Perpetual Maintenance Fund, and expenses of $300,000 for a net loss of $50,000. Most of these revenues and expenses relate to the operation of the Cemetery. As at April 30, 1993, Elmco Ventures Limited owes $210,310.96 in outstanding taxes and penalties on 132 Henderson Highway.
The underlying problem of the Elmwood Cemetery and potentially for all other privately owned Cemeteries is the perpetual maintenance funds. As they are currently structured, they are inadequate to ensure perpetual maintenance of a Cemetery once it is filled and the owners are no longer able to sell plots.

The Province, through the Cemeteries and Perpetual Care Funds Regulations have attempted to regulate private Cemeteries. However, the Elmwood Cemetery will never generate sufficient revenue from sales and income from the Perpetual Maintenance Fund to pay for ongoing maintenance and as a result, the Cemetery will continue to deteriorate and property taxes will go unpaid.

Your Committee on Finance and Administration recommends:-

I. That the Province of Manitoba be requested to change The Cemetery Act to require owners of private cemeteries to contribute a larger percentage of plot prices to the Perpetual Maintenance Fund in order to ensure continued operation of cemeteries after they are filled, and,

II. That the City apprise the Province of the Elmwood Cemetery situation and secure funding from the Province for both the capital improvements and the ongoing operating costs prior to taking title to the Elmwood Cemetery through tax sale proceedings, and

III. That the Acting City Solicitor be instructed not to proceed with the current tax sale proceedings related to the Elmwood Cemetery, 132 Henderson Highway until negotiations with the Province have been concluded, and,

IV. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Moved by Councillor Eadie,
Adoption of the clause.

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

(Note:Attachments referred to in the above clause are on file in the office of the City Clerk)

Leave and License Agreement to Operate Sidewalk Cafe - Eastside Exchange Bar and Grill, 177 Lombard Avenue
File FI-2.2(32) (Vol. 1)

728 - 6. Your Committee on Finance and Administration has considered report dated May 26, 1993 (File 39/134) with respect to the above-referenced leave and lease agreement in the City Centre Community.

The Committee on Planning and Community Services at its meeting held on January 15, 1993, approved an application on behalf of Eastside Exchange Bar and Grill to permit the establishment of an encroaching sidewalk cafe into Lombard Avenue West of Rorie Street shown on Misc. Plan No. CCFR 8752.

Negotiations between the City and Eastside Exchange Bar and Grill have resulted in the following terms and

Report of the Committee on Finance and Administration, dated May 31, 1993

conditions:

Area:Land shown outlined in black line on Misc. Plan No. CCFR 8752 with the cafe area limited to that area dotted on said plan.
Term:Seasonal from May 15 or spring clean-up, whichever is later, to September 30 in each year.
Hours:11:00 a.m. to 11:00 p.m. subject to change upon review and approval by the Commissioner of Finance and Administration.
Rental:$1,000.00 per season plus an initial administrative fee of $250.00.
Insurance:Public liability insurance of at least $500,000.00 naming the City as additional insured and containing a cross-liability clause.
Cancellation:Upon 10 days notice by either party; immediate upon default.

Your Committee on Finance and Administration recommends:-

I.That a Leave and License Agreement to Eastside Exchange Bar and Grill in accordance with the terms and conditions outlined above be approved;

II.That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing including the execution of any documents related thereto.

Adopted by consent.

(Note:Attachments referred to in the above clause are on file in the office of the City Clerk)

COMMITTEE ON FINANCE AND ADMINISTRATION

MOTIONS

The Speaker called the Deputy Speaker, Councillor Reese, to the Chair in order to participate in the debate, and after speaking, resumed the Chair.

Moved by Councillor Angus,
Seconded by Councillor Golden,

729 - WHEREAS Council on March 24, 1993, instructed the License Branch to license rooming houses with license fees to be established effective July 1, 1993;

AND WHEREAS the report has come to the Committee on Finance and Administration;

AND WHEREAS public meetings have recently been held;

AND WHEREAS a recommendation is going to the June 28, 1993 meeting of the Committee on Finance and Administration;

THEREFORE BE IT RESOLVED that the implementation date for license fees for rooming houses be extended to August 1, 1993 and that the necessary amending by-law be prepared for consideration by Council on July 21, 1993.

Carried.

COMMITTEE ON FINANCE AND ADMINISTRATION

CONSIDERATION OF BY-LAWS

730 - On motion of Councillor Eadie, By-law No. 6196/93, a By-law of the City of Winnipeg to increase the authority of the City Solicitor and the Superintendent and Supervisors of the City's Claims and Insurance Branch to settle claims, 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 GL-3 (Vol. 3).

On motion of Councillor Eadie, the rule was suspended and By-law No. 6207/93, a By-law of the City of Winnipeg to amend the provisions of the License By-law No. 4007/85 relating to food handling establishments and license fees as recommended in Clause 1 of the Report of the Committee on Finance and Administration dated February 25, 1993 and adopted by Council on March 24, 1993, 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 EL-2 (Vol. 26)