EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

Minute No. 131
Councillor Gerbasi stated that during the debate in May over the Veolia contract, many argued that the final decision for the waste water treatment upgrades should be deferred until the details have been made public. She noted that in a recent newspaper article, the City's negotiator on the contract was quoted as saying the upgrades were urgent, yet in the proposed capital budget tabled last week, the upgrades were being deferred for a year. Councillor Gerbasi questioned if there was not a link between the deferral of the project and the fact that the Veolia contract negotiations were not yet complete.

His Worship Mayor Katz replied the answer was no and that he was committed to ensuring that taxpayer dollars were spent wisely when it came to upgrades for the sewage treatment plants.

Councillor Gerbasi stated that the media also reported the City spent $593,000 last year to select the Veolia Canada as the sewage treatment consultant and negotiate the contract. Councillor Gerbasi asked His Worship if a deal would be reached with Veolia Canada and if so, in what time frame.

His Worship replied that there were extremely competent people doing the negotiations and that he had no doubt that they would come to a fair deal for both parties.

Councillor Gerbasi stated that the report which recommended supporting the Veolia agreement promised 10 to 20% savings on the sewage treatment upgrades. Noting the high cost of lawyer fees and the close to $600,000 spent last year just to procure the deal, Councillor Gerbasi questioned how much will the legal costs, as well as deferring the project for a year, cost the taxpayers of Winnipeg.

His Worship remarked that the total cost of the project would likely approach a billion dollars. His Worship stated that it was important to ensure that funds were spent to ensure the best deal was reached. His Worship further stated that the biggest concern was around expending funds to remove nitrogen which many experts agreed was not necessary.

Councillor Eadie made reference to crime prevention programs and questioned where the City was going to find new dollars to go into prevention programs that were needed to keep people out of crime in the first place.

His Worship noted there was new money and that this was mentioned earlier with the commitment to a successful program that takes children who are in gangs off the streets.

Executive Policy Committee – Question Period (continued):

Councillor Eadie questioned if the City was going to be able to find more money for the Winnipeg Public Library to deliver better aboriginal youth strategy services.

His Worship replied that funding to the Winnipeg Public Library system has been added in the past and would continue into the future. He noted that hours have been extended and that as many amenities as possible have been made, noting that the service was extremely important.

Councillor Smith stated that there were over 500 reported cases of bed bug infestations to Environmental Health and questioned if His Worship has spoken to the Premier or the Minister of Health about the urgency of this matter.

His Worship stated that it was an extremely serious issue under the realm of the Province of Manitoba and felt the City should stand by and assist in any way, shape or form it can.

Councillor Smith again asked His Worship if he had talked to the Premier and the Minister of Health about the bed bug situation to which His Worship replied that they were drafting a letter to the Premier about the issue.

Councillor Orlikow questioned if His Worship could let Council and citizens know when the City was planning to launch an overall communication plan to promote all of the Active Transportation paths and how cyclists, motorists and pedestrians would share them.

His Worship advised that the City was doing everything possible at this particular point in time to educate the public and enlighten them about Active Transportation, noting that Active Transportation was a positive step and that the City would continue to work with various organizations to continue improvements and secure funding.

Councillor Orlikow did not agree that the City had been doing its best on the education side and asked if His Worship would commit to ensuring that the education portion does happen as soon as possible.

His Worship clarified that he never said the City was doing their best, he said mistakes were made in the past and they were being corrected. He further committed to look into the matter and get back to Councillor Orlikow.

Councillor Wyatt noted that in 2010, the Consumer Price Index inflation rate for Winnipeg was 0.8%. He cited the Mayor's commitment for a property tax freeze but asked if the door could be left open as a potential consideration for a 0.8% increase in property taxes for 2011.

His Worship stated that every single year for the last 13 years, the City was able to accomplish the goal of a property tax freeze. He further stated that a property tax freeze could not be expected to take place perpetually and that he would maintain an open mind.

Executive Policy Committee – Question Period (continued):

Councillor Wyatt questioned if the challenge really being faced in terms of property taxes was not municipal taxes, which were the most competitive in Canada, but rather education taxes.

His Worship remarked that he did not disagree and noted that there are two sides to the ledger – there were revenue and there were expenses, and that all the alternatives had to be explored when it came to revenues.

Councillor Wyatt questioned why we persist with a property tax freeze when we can control the budget, and our own resources and our ability to raise revenues when the problem on the tax bill was not municipal taxes, but rather education taxes.

Noting that by law, the school boards, through the Province tell the City what they need, His Worship requested the Councillor to clarify what he was asking for.

Councillor Wyatt stated that we can control property taxes but we cannot control education taxes, therefore why would we not want to manage our own resources the best way we can.

His Worship noted that was exactly what was done every time an Operating Budget or a Capital Budget was worked on.

Councillor Swandel advised the public was being misinformed to believe that the only source of revenue the City has was municipal property taxes, when in reality there was a very robust catalogue of different revenue sources. Councillor Swandel asked His Worship to confirm revenue increases.

His Worship replied that revenue had increased and more money had been spent and that this would continue to happen because of growth.

Councillor Swandel noted the inflation rate the year previous was 0.5%, and in the year previous, the budget also went up. He stated that if you consider the fact that we've been throwing around inflation numbers at 2 to 2.5% when we've actually only had inflation of 0.5 to 0.8%, there should be some room to get the budget done without a property tax increase; to which His Worship replied that the comments by Councillor Swandel were factual.

Councillor Swandel referred to the collective agreements that were coming up for renewal this year and asked His Worship to advise if in the last two years, the increment levels provided were in the 0.5 or the 0.8% range.

His Worship replied that in any of those collective agreements, the increase had been significantly more than 0.5 or 0.8%.