Minutes – Executive Policy Committee – November 30, 2011

REPORTS

Minute No. 37 Water and Sewer Service Sharing with Neighbouring Municipalities

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommends to Council:

1. That the Basic Terms for Service Sharing Agreements for the Provision of Water and Sewer Services to Neighbouring Municipalities be approved, and the Chief Administrative Officer be authorized to negotiate and finalize service sharing agreements in accordance with the "Service Sharing Policy" and "Basic Terms for Service Sharing Agreements for the Provision of Water and Sewer Services to Neighbouring Municipalities" (as outlined in the Attachment to the Public Service report), together with such other terms and conditions deemed necessary by the Chief Administrative Officer to meet the intent of the Service Sharing Agreements and to protect the interests of the City.

2. That the Proper Officers of the City do all things necessary to affect the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Fielding,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

ADMINISTRATIVE REPORT

Title: **Water and Sewer Service Sharing with Neighbouring Municipalities**

Critical Path: **EPC – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
Georges Chartier Manager of Infrastructure Planning	J. Ferrier Acting CFO	J. Ferrier Acting CFO	D. Joshi COO

RECOMMENDATIONS

1. That Council approve the 'Basic Terms for Service Sharing Agreements for the Provision of Water and Sewer Services to Neighbouring Municipalities' and authorize the CAO to negotiate and finalize service sharing agreements in accordance with the "Service Sharing Policy" and "Basic Terms for Service Sharing Agreements for the Provision of Water and Sewer Services to Neighbouring Municipalities" as outlined in Attachment, together with such other terms and conditions deemed necessary by the Chief Administrative Officer to meet the intent of the Service Sharing Agreements and to protect the interests of the City.
2. That the Proper Officers of the City do all things necessary to affect the intent of the foregoing.

REASON FOR THE REPORT

- Recently, there have been renewed discussions with neighbouring municipalities regarding the City providing water and sewer services.
- The Public Service is requesting Council approval of the "Service Sharing Policy" and "Basic Terms for Service Sharing Agreements for the Provision of Water and Sewer Services to Neighbouring Municipalities".

IMPLICATIONS OF THE RECOMMENDATIONS

- Providing water and sewer services to neighbouring municipalities would provide additional revenues to the City in the form of increased water and sewer revenues and revenue sharing.
- The revenue sharing would be allocated to the City of Winnipeg regional roads capital budget.
- Joint planning provisions would enhance regional land use through efficient and cooperative development.
- Recognition of the land use interaction created as a result of the sharing of services.
- Regional services support environmental and economic sustainability of the Winnipeg Capital Region.

- Extending water and sewer services to neighbouring municipalities would use up some of the City's water and sewer utilities surplus capacity.
- The Public Service is asking Council to approve a Service Sharing Policy as well as Basic Terms which would be the foundation for the CAO to enter into agreements with neighbouring municipalities for the provision of water and sewer services. **Attachment** outlines the components.
- Once the policy along with the basic terms are approved, the CAO would explore entering into service sharing agreements with neighbouring municipalities who agree to the terms of the Service Sharing Policy and Basic Terms.

HISTORY

On December 12, 2005 Council directed the CAO to identify inter-municipal service sharing opportunities through an Expression of Interest Process and that the following five principles be utilized to guide the process to ensure that service sharing agreements:

1) Are government to government;
2) Are consistent with the City's existing and future capacity to provide the service;
3) Are founded on a strong business case to ensure the efficient delivery of the service in the region;
4) Incorporate a joint planning agreement to manage development and related environmental concerns;
5) Include a provision for tax/revenue sharing.

The City ultimately received four proposals from surrounding RMs (West St. Paul, East St. Paul, MacDonald and Rosser). On June 28, 2006, Council approved two pilot projects (MacDonald and East St. Paul) and further directed the Public Service to initiate discussions with Rosser regarding their proposal and to meet with West St. Paul to discuss the five principles.

On February 8, 2007 the R.M. of West St. Paul formally endorsed the five principles and on June 21, 2007, the Council for West St. Paul passed a subsequent resolution indicating that it wanted to proceed with service sharing negotiations for the original Whistler Hollow location. Several meetings with various RMs followed but no agreements were reached.

On March 10 2008, the Mayor met with the Mayors and Reeves of the Capital Region (MRCR) who proposed instead of bilateral negotiations with individual RMs, the City should engage in a regional negotiation. The Mayor, on the recommendation of the Public Service, agreed to this approach. Negotiating teams for the City and Region were established to conduct the negotiations. Overall, the two negotiating teams met 7 times in 2008 but were unable to reach an agreement.

The OurWinnipeg Complete Communities document includes direction relating to the Capital Region and is consistent with the principles outlined above.

Recently, there have been renewed discussions with neighbouring municipalities regarding the City providing water and sewer services.

FINANCIAL IMPACT

Financial Impact Statement Date: November 24, 2011

Project Name: Water and Sewer Service Sharing with Neighbouring Municipalities

COMMENTS:

There is no financial impact associated with the recommendation to establish policy.

The financial impact of each arrangement will vary but in general the City anticipates the impact to be positive in respect of City operations.

original signed by R.Abeysekera
Radhika Abeysekera
Manager of Finance - Campus Departments
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

- Water and Waste Department
- Public Works Department
- Planning Property and Development
- Corporate Finance
- Legal Services

SUBMITTED BY

Department: Corporate Finance
Division: Infrastructure Planning
Prepared by: Georges Chartier, Manager of Infrastructure Planning

Date: November 24, 2011
File No.

Attachments: Service Sharing Policy and Basic Terms



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