COUNCIL OF THE CITY OF WINNIPEG
Wednesday, June 22, 2011

The Council met at 9:33 a.m.

The Clerk advised the Speaker that a quorum was present.

The Speaker called the meeting to order.

The opening prayer was read by Councillor Vandal.

ROLL CALL

Clerk: Mr. Speaker Councillor Nordman, His Worship Mayor Katz, Councillors Browaty, Eadie, Fielding, Gerbasi, Havixbeck, Orlikow, Pagtakhan, Sharma, Smith, Steen, Steeves, Swandel, Vandal and Wyatt.

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: Thank you, Mr. Clerk. And today we're joined by two Pages: Madison Fedyck from Glenlawn Collegiate who resides in the North Kildonan Ward. Madison, step forward. (Applause) And Miss Alex Goodman from St. Mary's Academy, who resides in the Old Kildonan Ward. (Applause)

Mr. Speaker: We don't have any other announcements so I'd like to recognize Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. I just want to take a brief moment to just share, I guess, a story. I define it as a sad story, Mr. Speaker, but what ended up taking place I think will certainly put a smile on everyone's face. Many of you may remember the morning of March the 9th, 2011. Don't know where you were at the time, but I'm sure you heard about the fire that took place at East Elmwood Community Centre, and it basically burnt right to the ground. A very sad event. We know how much…what great a role the community centres play in families' and children's lives. The fond memories they have; the great experiences they have there. Approximately 200 yards away from the East Elmwood Community Centre is Kent Road School, an elementary school. And many of the students there actually witnessed that fire and this was their home. This was where they went to play. This was a large part of their life. This is where many of their trophies were. And I can tell you as a youth I never had that experience and I'm glad I didn't. But they went through that very bad experience and there are three students here today along with the Principal and the school counselor. I would very much like to have Principal Nordal, school counselor Brenda Ryan and the students, Geraldo Daniels, Hayley Dawson, Sierra Syrnik, if you would just please stand for one moment, so you can be acknowledged. (Applause) Now, after the fire, here is what took place: about two weeks ago, I was asked to attend a function at Kent Road School. I know that Councillor Thomas wanted to attend as well, but he unfortunately was out of the country at the time and so I went. And what happened there was something that I think will make you all very proud to be Councillors. These students on their own, took what I would say a great deal of initiative after the sad event of the fire. They decided they wanted to make a difference. What they did is, they sold bricks, paper bricks at 25 cents each. They also sold some hot dogs. The choir assembled and they sang, "Lean on me". And when it was all over, they presented to me a cheque payable to the City of Winnipeg for $738.68 to help rebuild their community centre. I don't know about you, ladies and gentlemen, but very seldom have I been somewhere where someone presented a cheque to the City of Winnipeg for something they cared so much about and wanted to get it rebuilt. I know that Councillor Thomas Steen is working hard along with the departments and I just wanted you to hear a good story of what the children at that school did and what it meant to them. So you know what, I think we'd all like to give you a big round of applause for what you and all the Grade 4 students did, and just say, "Thank you". (Applause)

Mr. Speaker: Thank you, Mr. Mayor. Thank you Kent Roads, good on you.

MINUTES

We'd like to pursue the meeting now and Councillor Orlikow moves that the Minutes of the meeting held on May 25, 2011 be taken as read and confirmed.

Mr. Speaker: All those in favour? Opposed? We'll move into delegations and we'll ask Mr. Cecil Notley to join us.

DELEGATIONS

Cecil Notley: Good morning, Mayor and Council. My name is Cec Notley and I live at 498 Grassie Boulevard. We have a request in for sewer and water extension of 900 feet to start at the west property line of triple 4 Grassie to the east property line of 520 Grassie, consisting of 14 homes. A petition was presented to 14 home owners and one land developer. Sufficient numbers were obtained to have the city publish the petition as a local improvement. This

subdivision is 50 years old. Now, through the petition process, less than 60 people…60% opposed this sewer extension. The City of Winnipeg Assessment and Taxation department recommended to the East Kildonan Transcona Community Committee to proceed with this local improvement. Councillor Russ Wyatt felt that the home owners were so closely split in the issue that he recommended not be proceeded with. I feel there was a few matters there that maybe Russ wasn't aware of. Now, there are 14 homes in the 900 feet in question and 140 foot parcel of land. Seven home owners agreed to the sewer and water. Now, there's 14, 50% to me is who agreed. Of the seven home owners, six signed a petition for. One home owner didn't feel they could sign because living at 444 Grassie, global homes had already a proposal for subdivision on her land and she wanted the sewer but didn't feel she could sign the petition. Three would not sign but agreed to whatever the decision was, 70%. Five homes out of 14 homes were opposed. One of these homes has sewer and water from the rear. They picked sewer and water at the rear of the property with his Jacques Avenue and they didn't feel they would like to afford us the luxury of the sewer. One of these homes is adjacent, across the road from 444 and if that subdivision went through they felt that they wouldn't have to pay frontage foot and they could hook up to that sewer. One has just paid out $7,000 for a new holding tank, and one, only one, felt it was too costly. This left us with one home owner with 200 feet and a land developer who had agreed to the sewer and water but later changed his mind. Now, their main objection to these two home owners or land owners, is that the city had also placed a caveat on the improvement that no property could be subdivided without the addition of a second lane on each side of Grassie, of which property owners would be responsible for paying for. This would only contribute to increase traffic as well as speed of the vehicles using Grassie Boulevard. Now, as I said to Mr. Wyatt many times, Grassie Boulevard does not belong to the residents any more. The city took it away from us when they widened Plessis, hard topped Grassie and brought it up to truck traffic standards. This was to relieve the congestion off of Regent Avenue. And now, Peguis Trail is connecting to Lagimodiere at this moment, which means more traffic. A second lane on Grassie would only add to an existing very dangerous situation. Instead of the cars speeding by my home, with the extra lane they will be able to race to the single lane ahead that will end at the end of our property. Now, the main reason for sewer and water is the health, for me, is a health concern of the quality of the water. The wells are 50 years old. There is 50 years of old septic tanks, as well as 50 years of septic fields. Old septic tanks and old septic fields that combined to reduce the constant smell of sewer gas, which is not only detected outside of the home, it is beginning to seep in the homes producing a contaminated living environment. As well, the old garbage dump that the City received when they amalgamated in the early 60s, continues to decompose and leach toxins into the water supply which ultimately ends up in the well water. The quality of my water has deteriorated in the last ten years where we just buy bottled water. Now, there has been a precedent set on the west side of Grassie between Lagimodiere and Molson. Four houses were recently built on the north side without the requirement of having to install an additional lane in each direction. And also, I'm watching Almey. Almey just got sewer and water and I'm going to see what…I'm going to keep close eye on what transacts there. Now, if you look at the east most end of our subdivision, you'll see the City of Winnipeg owns property there and that property was set aside by Plan Winnipeg years ago, and that is going to be the route that the extension of Peguis Trail, when it eventually gets there. Now, if we're sitting with four lanes on Grassie, just for the sake of us getting the sewer and water, this is going to block Grassie off. Grassie apparently will become a dead end street. So that's it. And I appreciate your time, gentlemen, and if there is any questions, I'd gladly answer them.

Mr. Speaker: No questions? Thank you, sir. Appreciate your presentation. We'll deal with it when we get to Public Works. Second delegation, Suzanne Otte, program supervisor together with Penny Daigle, Marc Desrosiers, of the Garden Grove Child Care Centre. Would you join us? Thank you. You have 10 minutes.

Suzanne Otte: Okay. Good Morning Your Worship and Ladies and Gentlemen of the Council. We are here on behalf of the motion that would see Tyndall Park Community Centre become surplus which would then allow us to… our expansion and renovation project to proceed forward. As you know we made a brief presentation to the Executive Policy Council last week which outlined our project in more detail. In summary, we're poised to proceed with our project which would enhance a city building and once again allow for community use as a child care during centre hours and community group use after hours. We have several partners on board which have raised 315,000 of the 400,000 that we require for the project. For nearly 30 years, Garden Grove Child Care has provided quality child care to the Garden Grove and Tyndall Park communities. Our current vision includes the development of a new infant program and expanded preschool and school-age components where we can support our community and the children by providing one facility for these children to attend throughout their entire elementary years; providing stability and a home away from home. On behalf of our volunteer board, the staff, current and awaiting families, I invite you to partner with us as together we seek to offer a quality facility where children may grow and blossom into strong and independent, capable and caring youth. We are looking for the City to be our key stake holder in this project and are here to simply to answer any questions that may be brought to the table. Thank you very much for your time today.

Mr. Speaker: Question. Councillor Eadie.

Councillor Eadie: Yes. Thank you and it's always great to hear that daycares are opening up and I know there's a huge demand and need for infant care spaces. This project sounds really good. I just…I had one slight concern just because I

am dealing with what was a opening of a daycare in the North Point Douglas area with a community use facility right beside it as part of what used to be Barber house. And through the discussions there, I'm just…and again I just want you to know I'm just checking to see if this has been covered off or not. You were talking that this will be a community use facility after the daycare hours. And my question is just simply, is the Province aware of that, and is that…has that been cleared through insuring that the children who participate at the daycare are safe?

Suzanne Otte: Yes, that has been taken care of. Any other questions?

Mayor Katz: Mr. Speaker, I had the opportunity to meet with this delegation along with Councillor Pagtakhan and, if you wanted to find a win/win/win, this is it. As you can see, they are almost at their goal for raising the money. It's actually supported by the GCWCC. They are working with the school. This is a perfect scenario and as was pointed out, there is a need and they are filling that void and thank you for doing what you're doing.

Suzanne Otte: Thank you.

Mr. Speaker: No further comments or questions? Thank you very much. We'll deal with it when we get to that part of the agenda. Thank you. Okay, Executive Policy Committee. Mayor Katz, June 1st.

REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED JUNE 1, 2011

Mayor Katz: Thank you, Mr. Speaker. And just before we start, Mr. Speaker, I would very much like to acknowledge Mr. Phil Sheegl as the CAO who's sitting in the chair, welcome. That's number one. First of all Mr. Speaker, I'd like to introduce the report and move adoption of Consent Agenda Items 1 to 3.

Mr. Speaker: We'll stand down 3. All those in favour of 1 and 2? Contrary? Carried.

Item 3 – Jurisdictional Responsibility for the Delivery of Environmental Health Services

Mayor Katz: Mr. Speaker, just a brief intro and then I'll certainly try and answer the question. For about four years plus Mr. Speaker, we've been working with the Province in trying to eliminate redundancy. A scenario where the City and the Province are both providing the same services and have two infrastructures, when you can have one looking for more efficiencies. This is obviously one of them. Finally, our department, our administration working with their administration has come up with a situation and I'll be very frank with you, Mr. Speaker, it never made a difference. We were more than prepared to take it over or the Province can take it over. The Province decided they want to take it over. It's starting in 2012. It's going to last, before it's implemented about three years, 2015 and they'll be absorbing the majority of the staff, if there is anybody, that's not absorbed obviously, they would be redeployed. So with knowing that's the situation I will try to address any questions or concerns that any member of Council may make up, bring up I should say.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: I didn't hear what he said.

Mr. Speaker: Councillor Wyatt followed by Councillor Eadie.

Councillor Wyatt: Yes. I stood the item down. I'm glad to see there is progress in terms of the fact that we have an arrangement coming forward. The concern I have is in terms of the delivery of service right now by the Province, outside of the old City of Winnipeg boundaries, pre-Unicity. Right now we provide the service inside the old City of Winnipeg boundaries, and pre Unicity and they provide the service in all the former municipalities other than the City of Winnipeg, pre-Unicity. And the problem is Mr. Speaker, as was addressed to this Council back in 2003 I believe it was, in a seminar by the then Director of Community Services, and it hasn't changed. The Provincial level of service right now is…or let me put it this way, the City level of service provides one inspector for every 12,000 people. That is the ratio. It's a recommended ratio in Canada of one inspector per every 15,000, so actually it's below the ratio. The Provincial, which is the…by and large the majority of the City, covering the majority of the City has a ratio right now, Mr. Speaker of 1 inspector for every 75,000 people. As a matter of fact, the inspector that covers my end of the City also covers the RM of Springfield. So Mr. Speaker the existing situation is not acceptable, and I'm very concerned and that's why I'm not going to support this report. Very concerned that in the report, it's very clear, Clause 1 (d), Maintenance of the status quo level of service in the inner city, I'll stop there. So everything is going to be maintained inside of the old City of Winnipeg in terms of one per 12,000 which is great for those folks, for that part of the city. With a longer term intent to improve the overall public health inspection system over time. What does that mean? Well, we've been waiting over time now to deal

with this issue. It seems to me Mr. Speaker, we have simply just quickly rushed to make an agreement without guaranteeing the level of service that the Province is going to provide to the all of the citizens of Winnipeg for the sake of having an agreement and for the sake of bringing this forward so that once and for all it's off our plate. And Mr. Speaker, I think it's taken a long time for this to get here. I would prefer to see this referred back and be done the right way because right now, Mr. Speaker, the existing situation in the non-inner city if you want to call it that, is not acceptable. And I don't you know, they deserve to have that level of coverage absolutely but I'm just saying, Mr. Speaker, that the rest of the city should have that same enforcement ability. We don't have that ability. We know that from the concerns we get from our constituents and the difficulty we have to enforce and with this sort of service, too, is sometimes, it's not so much what you're getting calls about and how you're trying to respond to your calls from constituents. But this service, Mr. Speaker, is important because of the fact that it's the things that we don't see, and the things that we don't know, with regards to the work that these inspectors do on a daily basis and protecting the public health, because at the end of the day, Mr. Speaker, why do we have the slew of by-laws that we have with regards to environmental health regulations if we're not prepared to enforce them? And clearly, we're not even close to enforcing them based on national standards. We're not even close to enforcing them in more than half our City. This does not change that. This actually continues that without any idea of when that's going to change and that's why Mr. Speaker, I think we're rushing. We may have an agreement, but frankly, Mr. Speaker, I don't see any assurances in this report of when those services are going to be improved and how they're going to be approved and when that's going to be rolled out by the Provincial Government. That's why I can't support this today. I'm hoping it can be referred back so that this can be fine tuned. I think that would be the right thing to do because I'm not against the idea of the Province taking over the services. They might you know. I think that it makes sense. It's environmental health; it's health related that they are responsible for health. But keep in mind, Mr. Speaker, we do have by-laws that are being enforced with regards to these inspectors. So, those are my comments, Mr. Speaker and I look forward to the discussion, thank you.

Mr. Speaker: Thanks, Councillor Wyatt. Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. Actually, I think this is great that we're moving ahead with trying to consolidate and maybe make it more efficient or effective in terms of dealing with the wide variety of environmental or health issues in the city and…but I have some concern in that…while I know that either the City or the Province could've picked up all inspections in relation to this type of By-law requirements. The thing is though, that these particular items will and still are city related. My Councillor office will continue to get calls related to these kinds of issues and my concern, and I'm actually going to be voting for this report, but my concern is that…and I'm not sure that…and I want to put it on the record that these things should be dealt with. One thing I'm worried about is my office's ability to then work with and find out from inspectors as to how the solutions to these problems are being dealt with, and I know that right now, our Winnipeg Police Service, in doing the excellent job that they do in dealing with say crack houses or anything like that, they have been able to leverage certain aspects of health inspection in order to use that in their constant effort to make our communities and neighbourhoods safe. I'm really concerned and I know that there probably is a working group that's working through this, but I don't want the Winnipeg Police Service to lose their ability to share information in a really fast and quick manner, as it does do with the Safer Communities Act. I understand that they work pretty good together but let's make sure that we can continue to do that. So I wanted to highlight that concern in regard to moving off and having inspections done by the Province. Again, I will…I know I will, I will continue to get calls related to this thing, and so I mentioned it earlier. But I really am concerned that I won't be able to interact with a provincial worker in terms of finding out where things are at because really, their employer is the Province of Manitoba, not the City of Winnipeg. And there is…I know we do fall under the same FIPPA laws but again, I'm quite concerned about that in an effort for my facility to do that. That said, I'm also concerned about the bigger aspects of health and what I'm not sure about in this, and I haven't had the opportunity yet to speak to our excellent administration in regards to this move, but what I'm concerned about as well is pesticide use and chemical fertilizers and that. Those are health issues that I'm concerned about. And what I don't want to do is I don't want to hear from City Council that this is no longer our responsibility if we're passing off health because again, these kind of things are a city's responsibility to look at and deal with in a way that makes sure that our neighbourhoods, we can live in neighbourhoods that are healthy, clean and safe. So that's my discussion on it, and again, I will be voting for this, but we need to temper how we proceed through the future so that we are not getting this idea that we're divesting ourselves from these issues, necessarily. Thank you.

Mr. Speaker: Thanks, Councillor Eadie. Thank you, Councillor Gerbasi.

Councillor Gerbasi: Thank you, Mr. Speaker. And I will be supporting this. I was actually…this is an issue that has been on our plate since I was first elected. In fact, when I chaired the Protection and Community Services Committee for many years it was often an item on our agenda that we were trying to move forward. One of the reasons I was unhappy to see it moving forward or just never seemed to come together was because one aspect was the concerns about the inner city having adequate coverage and I think that was the biggest concern for me, and for many people, was that there…and I'll say something about the other service which is inadequate as well, in the suburbs. But, in the old City of Winnipeg there is an increased need for services and that's why the report recognizes that and there is a balance that

there is unique needs within the inner city that do have to be addressed and in speaking with the administration and reviewing the report my comfort level is such that I can support that, because it's saying right in there that the existing level is going to be maintained. And in the longer term the intent is to prove the overall public health inspections in the rest of the city. We know that that's not adequate what's happening in the rest of the city as well. And part of my ward in Fort Garry has that Provincial service as well. And that is definitely a concern. At least it's saying that this is going to be addressed and it's a commitment to address it over time. So, there is something there. Before this, we had absolutely nothing. I mean we've had the same situation, as long as anyone can remember. So, I see this as a step forward for the…and at least not losing anything we currently have, and perhaps now, a commitment to work towards improving service in the rest of the city and maintaining what we have in the inner city. So, I don't see the negative with this. In terms of the health, our system has evolved. We used to have Social Services. We used to have Public Health Nurses and all those things and in a way, the aspects of inspection, from my understanding if I'm understanding the report correctly, the aspects of inspection that have to do with public health are going to the Province and the City will keep some that have to do with buildings and the things that were more intensely involved with, more directly involved with, and since for example with bed bugs, there's a bed bug strategy Provincially and things like that. Some of this might make sense. Having said that I appreciate the comments raised by Councillor Eadie that we really need to have an integrated neighbourhood approach which I do believe our staff recognizes and is talking about when you talk to them in detail about these changes because everybody needs to work together, we need to work together with the MLCC, with the health and nurses, with everybody, and that's what we do in the neighbourhoods where we have issues you know, with drinking establishments or with bed bugs or with everything. We really need an integrated approach with the Province and we already have to do that on a number of areas and we're going to have to make sure we do that, and I think Councillor Eadie has flagged a very important point on this that we need to have an integrated neighbourhood approach to all of these issues. So, I really think that…I think one of the other reasons that this doesn't get dealt with is cost of having adequate service and that's an issue that we have to address in many areas of the service we provide. So again, this deal is cost neutral, so it's not costing us more but we have the same…basically we'll have the same level of service, but what I do like is the commitment to address the overall public health inspection systems over time and I think we have to take those words very, very seriously and be committed to them. I think Councillor Wyatt has raised a very important point as well. We all agree that that system has been very inadequate and I think it's very important that that be remembered. But having said that, what we're voting on today, I don't think takes us a step backwards in any way. I think it takes us a step forward so I will be supporting it today. Thank you.

Mr. Speaker: Thanks, Councillor Gerbasi. Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. Just a couple of quick comments. I listened to what Councillor Wyatt said and I don't think that this report moving forward with this report does anything that would stop the Councillor or any of us from representing the need for better health resources in throughout the city, not just in the inner city. I think Councillor Gerbasi made a good point about the need for a higher level of public health enforcement or action in the inner city. Because of the different nature of…we're all large institutions; ours is a lot more restaurants in the inner city and a lot more for public gathering places in the old City of Winnipeg and perhaps you could even say some more health issues in general. So, I don't know that we need to refer this back to keep…to address those issues. As a matter of fact, I think putting a bunch of bureaucrats you know, assigning them to go back and talk about this further, is only going to slow down getting those things done. It's not going to speed them up. We know that we need to do that. We know we need to be strong advocates for better health care or public health work in our communities. And we can do that by first of all getting the right people doing the work and the right structure in place to get the work done. And I think the referring this back today would be a step backwards. Councillor Gerbasi mentioned it being on the agenda many years ago. I don't know how long ago it started, maybe 01 or 02, something like that. So, we've been going down this road for almost ten years now to get this point This is a giant step forward and for us to frustrate that process by referring it back to try to get more done now, I think we've got to be responsible here and take what we can get right now because keeping this moving in this direction is going to benefit all of the city, both the inner city and the outlying communities and hopefully, as the structure of the organization gets strong, it will also benefit some of our neighbouring municipalities as well because the resources that are available will be better managed and better allocated to where health needs are and health issues are and public health issues are as opposed to just trying to have the same number of people all over the place. We know that you know, much like with our police force we want to direct the police to where the activity is and where they are really required, likewise with the public health and public health enforcement. You need your people going to where the need is, not just us politically saying that we need more people out here because we think so. Well, you know, you gotta let the data sort of drive where you want your people. So, I certainly won't be…I know Councillor Wyatt and Councillor Orlikow have a motion to send this back and I certainly won't be supporting that. I see that as a step backwards. I think that we can get this moving forward and this is a giant step forward for us, considering how long it's taken us to get to this point. Thank you.

Mr. Speaker: Thanks, Councillor Swandel. Councillor Fielding.

Councillor Fielding: Thank you, Mr. Speaker. I will be supporting the motion put forward here that came to EPC and not supporting, I guess, the motion that to refer it back anyways. You know to be quite frank; it has been talked about before. This is something that we've been dealing with for years. I mean, I was involved and this happened I think even before I was involved with the Economic Opportunity Commission. And that was from the recommendations that I think it was part of the red tape report. What I found frustrating about this whole process, whether it's…you know there's no blame being put aside but it's taken forever for this to happen. And quite honestly, we're not in the health business or you know, the Province is obviously the…the people that are experts in that field and I think that it should be put under one area focus if you will; so I think it makes sense to move it over. I've been frustrated because it's taken so long. Not exactly happy in terms of the dollar figures later on down the line, generally if you are able to amalgamate something, there is some efficiencies that are there but at the end of the day I think we need to be out of this business. This is something we've been talking about it for years and years and years. In terms of some of the quality, as Councillor Swandel brought forward actually just a few minutes ago make some sense. You've got to go with the needs are greatest and it doesn't necessarily mean you have a cookie cutter approach for the same amount of health inspectors in certain areas but focus in on the areas of greatest need so I think that does make a lot of sense. So with that, I encourage everyone to support this. It's been a long time coming and once again, the focus of this was to kind of find efficiencies because if you've got two different areas doing the same type of business, it doesn't make a lot of sense for both levels of government to be involved in that. It makes sense for one jurisdiction that Province's heath…the experts in Health so it makes sense for them to be having this. So glad this issue is finally being put to bed and I encourage you all to support it. Thank you.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. I, too, will support this. I think what I find frustrating as well, and this started well over ten years ago is that at least a dozen years ago, is that when you look…the whole financial piece of it. When you look down the line to 2014, I believe, let me just get my…we're actually planning for a mill rate deficit of approximately $430,000 in 2014 and a larger amount in 2015. And that makes me think of…I was around when the social services negotiations were transferred over to the Province, public health nurses were transferred over to the Province and each and every time where you would think that actually handing over bodies and salaries and the like, to another level of government, that there would be some sort of savings for the City of Winnipeg. But much like those past negotiations with Hydro as well, the savings aren't there and only leads me to believe that let's face it we're negotiating with a level of government where we don't have a lot of aces up our sleeves and somehow or other you would think common sense would dictate that there would be some savings there but somehow or another we always seemed to not accrue those savings where you think there would be. So, Mr. Speaker, in my estimation this strikes to a larger structural deficit negotiating with a senior with another level of government. I'm not going to say senior level of government, another level of government where if they don't take it out of this pocket, they'll take it out of the back pocket, they'll take it out of the breast pocket or another pocket, where the savings that we thought were going to be there are not there. I find that disappointing but I agree with Councillor Fielding and Gerbasi that this is the right thing to do. There's obviously in the long term in the administration, if you read the report, commit to finding those efficiencies and I think in the long term it makes sense. Let the people work with, where they need to work, and you know as I represent largely a suburban ward and I'm not overly concerned about this. I know that working with our administration that we've done the job in the past and we will do it in the future so I will support this.

Mr. Speaker: Councillor Orlikow, are you going to speak to the motion?

Councillor Orlikow: Yes.

Mr. Speaker: All right.

Councillor Orlikow: Which, the one?

Mr. Speaker: The second, the new motion so, Councillor Orlikow.

Councillor Orlikow: Just to clarify. Just the motion and some kind of hand script, sand script maybe almost writing here, If you can read it, it's a, refer Report No. 3 of EPC June 11, 2009, meeting back to the Administration on the issue of matters related to the item in the report recommendation 1 (d), so 1 (d) is specifically made it the status quo level services in an inner city ward for the longer term, intend to improve the overall public health inspections over time. I believe what my colleague, Councillor Wyatt and for sure what I believe is, I think a little bit of that work needs to be done now before we go into this, because what are we actually doing? Who's going to be…how are we going to get those new inspectors out there? Are they going to be taking it from the inner city wards and moved out? I kind of would like to know that before we decide to hand it over. Exactly how are they going to look at improving the overall public health system? Is that just going to be taking the public health inspectors out of the inner city and moving it to suburbia

or adding more people? I don't know and I personally would like to know. That said, I do believe this is a good move overall. I think having the Province that take over this, we've always had the problem where the Province has interpretation of certain roles and we have interpretation of certain roles and the actual people get caught in the middle. So I believe there is quite a bit of benefit to this. I would just like to make sure that services levels in the inner city do remain where they need to remain and we also do have to address it back that there are levels of service in the inner city that are I would say below what they should be.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Yes, Mr. Speaker. Speaking to the amendment now or the referral I should say, Mr. Speaker, I just want to say that, look it, we're trying to do what's the best here, I think, for the citizens of Winnipeg and we've been trying to do this now, Mr. Speaker, for the last eight years. I'm fairly sure this has been going on. I've just pulled my file and I've got notes in here back to 2003. And I'm sure it's been going on before that, but Mr. Speaker I just want to say a few things. The issue in terms of the inner city versus the rest of the city, I thought we were supposed to be united Council. I thought we were supposed to be wanting to ensure that all our citizens have the same level of services. As a matter of fact Mr. Speaker, if I recall discussions on this floor specifically said in terms these discussions; we do not want to see our services in the inner city reduced as part of these discussions. So I guess Mr. Speaker, the message today is well, our ox isn't getting gored, yours is, too bad. Our services are being maintained in the inner city Mr. Speaker, according to this report. The rest of the city, Mr. Speaker, we'll deal with that some other time. Now, Mr. Speaker, what we have today is very clear, it is an administrative solution. This was negotiated through the public service, the two public services of the two different governments. This is not a political solution because there is no political will clearly Mr. Speaker, to have negotiated the tough numbers in terms of okay, if you're taking this over, you're going to increase your level of services to what is an acceptable standard outside of the inner city over a certain period of time and this is what it's going to cost, this is what we're going to pay, this is what you're going to pay. No different than what Councillor Vandal referred to in terms of social services. Why did that take so long, Mr. Speaker? Because of negotiations in terms of what we as a city would be paying into the future, in terms of the Province taking those social services over. This is not happening here today, Mr. Speaker. What we're seeing here today is a status quo being maintained instead of us maintaining the…doing the services outside or in the inner city, the Province is simply doing it. That's it. That's all this report does and if you look at the report of the documentation it has referral after or layover, layover, laid over, laid over, laid over through the report. And why, Mr. Speaker? Because we could not get to this issue. So what do we do? Ah, let' just bring it forward to get it done. That's clearly what's happening here. I want to refer, Mr. Speaker, to a letter sent…if I can find it here in my file. Councillor Eadie, the former Councillor for St. James was very passionate about this issue, and he fired a letter off to, Mr. Speaker, to the Minister of the time, Minister Ashton and the letter came back from the Minister saying we're going to maintain the status quo. But Councillor Eadie documented through his report, here it is here, thank you. He basically said, this is a letter dated from Councillor Eadie back then, June the 4th, 2004 and at that time, Councillor Eadie was acting Mayor, okay because of the circumstances with the by-election. He says in his letter he goes, he talks about the issue and if you recall back then what happened was the Province announced that they're not going to do certain enforcements, and that hasn't changed by the way, since then. They're not going to reduce, they're just simply not making that a priority. They can't, based on the service levels they had. So Councillor Eadie wrote, he said from my perspective and I'm certain this is shared by all my colleagues on City Council, this problem is not a partisan political issue and we are not treating it as such. The lack of inspection services in our suburban areas is a serious problem and only you and your officials can resolve it. We are dealing with a service that is provided to the citizens by the Provincial Government, by employees whose salaries are drawn from the consolidated revenue from you, Councillor Eadie technically, not from the City of Winnipeg treasury. As a matter of fact, the City of Winnipeg 2004 budget does not have funding, any…have any funding contained they're in to take over the service from the Province and no such plan is in the works in the future. So he was referring to the issue in terms of the service. It was documented back then of the lack of services in terms of the suburban areas Mr. Speaker, that affects…affect St. James and it still affects St. James, still affects Transcona, still affects majority of our wards. As a matter of fact, it said while there's more restaurants in the inner city in downtown, they have more for…I'd like to see that number. With all the development and growth that's happening in the suburbs, where are there more restaurants today Mr. Speaker, in the inner city or in the suburban areas? Do we know that answer for sure? I would say that…just knowing the growth and development that's happened in the suburbs, there is a huge amount of enforcement that's required and the level of enforcement right today if you talk to the inspectors who're out on the front lines is not acceptable. They know they can't do the job that needs to be done. And we've known this Mr. Speaker, for the last decade yet now we're simply solving this by shuffling it off. I'm asking the Council today to refer this back and let's do the job right. Let's ensure that we try to bring level and it may mean that inner city, the old city of Winnipeg may have to go from 1 to 12,000 inspectors around to 1 to 20,000 to ensure that the level of services is more equitable across the entire city. Is that too much to ask, is that wrong, Mr. Speaker? No, I don't think it is. It may mean that we have to increase our level of funding with the Province to ensure that we have proper enforcement but Mr. Speaker, we have enforcement levels right now outside of the inner city that are equivalent to 1972. Well, I can assure you, Mr. Speaker that in 1972, the suburban municipalities outside of the inner city, outside of old Winnipeg looked a lot different than they look today, a lot different. The growth, the

development, the new stores, the new shops, the new restaurants have changed the face of the city. But yet, we are simply maintaining the status quo to 1972. That makes no sense, Mr. Speaker, and that's what this report does. And that's why I'm not you know, I'm not blaming anybody. I'm not pointing any fingers. I'm just saying Mr. Speaker, that let's do this right. Let's refer it back. Let's do a proper job, okay. It may mean that going up as high as the Premier or the Mayor having this and negotiating something but that really what is coming down to all along. Talking with the Public Service, they felt that their hands were tied, they got to a certain point and this is a Public Service administrative solution, what we see before us today. It's not the political solution that we need to have to have happen on this issue to resolve this outstanding matter, Mr. Speaker. The issue in terms of what Councillor Eadie was writing about in June 1st, 2004 has not disappeared, it's still there. It's still there. And if anything, it's getting worse Mr. Speaker, because the growth and development of the suburban areas with more restaurants, businesses, is continuing. So there is more work for them to do, not less. Thank you, Mr. Speaker.

Mr. Speaker: Thanks, Councillor Wyatt. Councillor Swandel.

Councillor Swandel: Can somebody tell me where we're at before we start the clock here? I thought…who introduced the motion here? So that was Councillor Wyatt. Who would be supposed to be closing on this motion?

Councillor Wyatt: Councillor Orlikow introduced this motion

Councillor Swandel: He…it was his motion?

Councillor Wyatt: No Councillor Orlikow introduced this Motion. I seconded.

Councillor Swandel: Oh okay, I see now.

(Inaudible speaking in the background)

Councillor Swandel: Okay, let me just…a couple of…just a couple of quick comments.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: (Inaudible) just so I understand this, Speaker Nordman. I would speak the first time, did I speak on the main motion from EPC or was I speaking to the…this new motion to refer?

Mr. Speaker: No.

Councillor Eadie: So I'm able to discuss this motion to refer then?

Mr. Speaker: Yes.

Councillor Eadie: Okay, thank you.

Councillor Swandel: Thank you. Listen, I just want to very clearly read…I think Councillor Orlikow may not have read the entire piece we're dealing with here. The motion in front of us is that the Chief Administrative Officer be authorized to negotiate and subject to certification by the Director of Legal Services and City Solicitor, approve one or more agreements with the Province of Manitoba that will result in the transfer of responsibility for public health inspection services from the City to the Province beginning April 2012 and that the transition be completed no later than March 31, 2015. Further, this authorization be provided on the basis of disagreement and transition period would be designed to achieve A. Provincial responsibility for public health inspection service throughout Winnipeg as mandated by the Public Health Act and for administrating public health inspection service provisions of current City of Winnipeg By-laws. B. City of Winnipeg responsibility for By-law enforcement services throughout Winnipeg. C. A seamless transition of the service delivery for Winnipeggers and, D. I'll read this entire clause here. Maintenance of status quo service levels in inner city Winnipeg with a longer term improvement to improve the overall public health inspection system over time. And E relative cost neutrality for the City of Winnipeg and the Province of Manitoba. So I just want to make sure that we all understand what it is it's here. We're not saying that nobody…we're all going to stop advocating for improved health services. What we're saying here is we want to get the mechanism set up properly. We're all going to continue to advocate for and get these pieces done as we go through this process. This is just going through this process to get the service to deliver to land where it's supposed to be and where it should've been for a number of years already. We still have the ability to, if we see it, we need more services we can take some back and do it if we want. We could…hopefully we could advocate and get more delivery from the Province. What is the desired level of service? Who should decide that? Councillor Wyatt with his scientific background in public health? Mayor Katz and his background in the baseball

world? Or should we be looking to experts to talk about where desired service levels should come from. And the service levels are going to change greatly. Service levels will change greatly. Councillor Wyatt mentioned 1972. The technology that we have today in dealing with public health issues in analyzing and using technology for inspection, it has come leaps and bounds since 1972. Is it just the amount of people or is it the ability to deliver the desired level of service you should be looking for here. That's what we need these people to be doing. We don't need to be doing this slowly and bogging down this process. You know, we had a red tape commissions at one time at this City Hall where we want to get things moving. We don't want it to be frustrating processes. So let's get focused on what it is that we're trying to do here. This is not a bad thing to try and characterize it as something that is bad, that's a bad thing. This is getting us moving in the right direction to get better overall public health services and public health inspections for the entire City of Winnipeg and hopefully for the entire Province of Manitoba because at the end of the day, even as citizens of Winnipeg, we're also Manitobans. So getting this delivery system set up properly and in the right jurisdiction is a key step so let's not slow it down.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. Put me out coach, I'm ready to play today! Anyway…

(Laughter)

Councillor Eadie: I just wanted to say though, it's been my experience, this Councillor Eadie, not Councillor Jae Eadie but Councillor Ross Eadie's experience over the last eight going on nine months now, that the inner city, in terms of delivery with health inspectors and so on that the City of Winnipeg provides, I think they do a really great job and…but I should clarify. I do believe…I think that actually, in terms of this motion to refer…well, in its discussion, talked about level of service. Well, I can say right now, I do believe that there probably is a need for more inspectors to deal with inner city. Just in discussions I have with the Winnipeg Police Service and their ability to deal with, say, crack houses, they're only able to deal with ten when there is 50. They're…the inspectors as well could be utilizing a much higher way, but they are producing phenomenally right now those workers and I really appreciate the work that they do. But you know frankly, this report says that it's adequate. I disagree. I heard this at Protection and Community Services. I believe that some aspects of By-law enforcement, the officers and inspectors at work, we don't have enough. But, what I'm hoping here and what I believe this motion is, I don't believe that this report says that the City of Winnipeg is divesting itself of dealing with the issues that happen in the neighbourhood as Councillor Swandel has pointed out. And I wholeheartedly agree with him that we are not giving up the issues here that we need to deal with because these are civic issues. What I believe this report is, is trying to provide a more efficient, effective means of doing inspection, and I would hazard a guess that the Province, in having to meet the need, they are accepting the responsibility here of having the staffing to do the inspections Speaker Nordman, and I believe that in this agreement, they are taking responsibility. I know that our administration is probably trying to make…well, is trying to make sure that these aspects are dealt with and I'm also hoping that because the Province is taking on the staffing and the inspection aspects of this that they will in good faith accept our request to actually deal with inspections and you know, they're going to be asked to add a By-law inspectors as well because you know what again, in the inner city there isn't quite enough and I don't know what the services are like in the suburbs, but again I think that this motion to refer, while it is a good motion, I think just to make sure that we have a dialogue and discussion about this, I still think that what we're doing here is we're asking the Province and the Province is trying to take this on to make it more efficient and effective to have one entity dealing with inspections and my other debate is still on the record about integration and stuff. So thank you very much. I will probably…I will be voting, probably against this motion, but to refer. Thank you.

Mr. Speaker: Councillor Orlikow to close. Councillor Orlikow passes on that. In favour of the motion to refer back to the Administration, all those in favour? Opposed? The motion is defeated. We will now refer back to Mayor Katz on the original Clause from EPC of June the 1st. Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. There was some very interesting dialogue and I guess if you look at what was said on the floor of Council, what have we learned? We learned from Councillor Gerbasi this has been going on for over a decade. We learned from Councillor Wyatt that the inner city has a much higher standard of service than the suburbs. That's been going on for over three decades, Mr. Speaker. We learned from Councillor Vandal that when you go home tonight, sew up your pockets. We've learned a lot here today Mr. Speaker, but the realities are the big problem that we have, Mr. Speaker, what we're talking about here is inside baseball. Every single fact that Councillor Wyatt stated is 100% correct. We've known it for a long time. Ever opened up a newspaper and read about the difference in services between the suburbs and the inner city? Ever turned on the TV and if you've heard them talk about it? A radio, Mr. Speaker. No one seemed to care. Here is the good news, God willing after today, people will care. This is a step in the right direction. Is it perfect? No. I agree with Councillor Wyatt it's not perfect but here is the reality, Mr. Speaker. When you look at health inspection, when you look at mac and whack, when you look at assessment, we are duplicating services, one of us should be doing it. It just doesn't make sense, makes no sense whatsoever. And the reason this has

taken so long, Mr. Speaker, is because we couldn't get anywhere with the Province. Finally, we have something to sincerely talk about. And Mr. Speaker, I think it's been read three times, but you've got to remember what it says: "Intent to improve the overall public health inspection systems over time". That's an acknowledgment. That's an acknowledgment that we need to do better in the suburbs. That's an acknowledgment that they intend to do better in the suburbs. If Councillors on this floor want to make this an issue, God bless you, the opportunity is there. The Province has acknowledged, they want to make if better. We know what we were doing. We had some of the best service in the country Mr. Speaker when you look at our ratios. That was the City of Winnipeg. How many people knew, outside of being those in the restaurant business, knew the difference between inspections between the inner city and the suburbs? Nobody. Nobody. Guess what? We've made it an issue. We solved the problem. We can now move forward and get equality because I agree with both Councillors Orlikow and Wyatt, it should be the same throughout; but I'm telling you right now. If you send this back which I'm glad it was defeated, you may as well just walk to that wall and stop knocking your head because it's not going to change where we're at right now but with the commitment that's in there to make it better, they've said we want to make it better. They have acknowledged the difference. Now it's a matter whether it's going to happen in six months, a year or two years, but now we have that opportunity. I think we should take that opportunity, Mr. Speaker and God willing in the very near future it will be equal because we're not going backwards. That's the only thing I disagree with Councillor Wyatt, we're not going backwards. There is no way that you can put a rational argument forward that we're going backwards. We're maintaining the inner city. It's been maintained the Province with a commitment to overall public inspection systems over time to be improved. That certainly isn't backwards, Mr. Speaker. I certainly hope that Council will support this motion.

Mr. Speaker: Thank you. All those in favour? Opposed? Motion carried. Mr. Mayor, the Report of June the 15th, EPC. Number six.

REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED JUNE 15, 2011

Mayor Katz: In that case, Mr. Speaker, I'll introduce the report and move adoption of Consent Agenda Items 1 to 5 and 7.

Mr. Speaker: And 8. All in favour?

Item 6 – Debt Strategy

Mr. Speaker: Mr. Mayor.

Mayor Katz: I would very much like to hear from Councillor Pagtakhan and I will try and address any issues or concerns, oh Ross Eadie and I'd love to hear from you, too, later. (Laughter)

Mr. Speaker: Councillor Eadie

Councillor Eadie: I just have to…where is it? Sorry.

Mr. Speaker: That's okay, take your time.

Councillor Eadie: This is because I was not quite prepared when we started to be…Okay, thank you, Speaker Nordman. In regards to this motion to report a motion to accept the debt ratios that are in this report, I have to say that I can't support that today because what I don't think I've read in there is a number of aspects that really concern me, about their direction and the ability to go forward in terms of a city such as Winnipeg that is growing. What we have…essentially have here, and this is all related to debt is what we essentially have here is infrastructure needs that are two ways. One is we are growing as a city and there is a need to build infrastructure for that growth. However, we have an inner…we have a city that exists and has existed for a very long time, and its assets are decaying at a rate faster than we are renewing them. And so we have this balance that we need to look at in terms of we're growing the city, but we need to renew what we already have. And frankly, our debates from the last budget season have demonstrated that the renewal of the existing is not anywhere near keeping up to what it needs to. And so what I don't see in this debt strategy and I understand that we're trying to maintain a double A credit rating and that's fine, we can do that. However, what I don't see in there is a discussion. I would like to look at ratios as a breakdown in terms of how are we borrowing debt and net debt. What is our net debt as it relates to renewal of infrastructure just like my house, 1927, I had to actually, I bought the house, bought a mortgage. That was growth for my family because we needed a bigger house or you know, but what happens is I then had to borrow some more money to do a renewal of certain aspects of that house and so there is two elements of borrowing there. One is for growth and the other is for that. So I don't see a

breakdown and I think that we should have ratios that reflect that kind of input. A breakdown of this and I can't quite read the tables in this report correctly but I'm thinking non-utility is 60% of…like it was very hard for me to tell, but I know that the ratios that they're talking about is maximum 100%, if it's not utilities I think it's 220% if it is utilities. I understand…and utilities are growing and that's why we need to deal with those, but I personally look at things like we use a lot of our current dollars to pay for infrastructure needs. That's taking away, I think, from debt servicing values and takes away from our ability to maybe borrow to keep up to the to the problems with our renewing our streets which need to happen, I hear from my residents all the time. So that is an aspect that I don't think is in there and that's why I'm not voting for it. But there are some other reasons. I have some real serious concerns here because rating is also related to debt servicing and of course debt servicing for lease holds, we're leasing major assets, the City through what's called the P3s or you know, private public partnership but they are leased but nonetheless, they're debt. And while you know, we can argue about whether or not they are better or worse, what I can tell you is we all know it costs more in debt servicing because it is debt. It costs more in debt servicing for this and I think that that has an effect on how much money we should be able to borrow as net debt and we need to reflect that consideration when we look at this because again, those P3s are mostly about creating new infrastructure. A new Chief Peguis Trail, yes it's replacing the Disraeli Bridge, that's fine. We need to do that. We have a number of police stations that are being built that cost us higher in terms of net debt borrowing its service cost so we need to consider that. I also…I'm quite concerned in that…and again, I haven't you know, I don't participate in being able to ask specific questions of Administration inside meetings, but I would also point out that…and you know, frankly, I didn't get to read this till last night. But the thing about what effect does our TIFF have on our debt? TIFF comes from our property taxes. For example, the football stadium, we have a piece of land we would be selling, it will be developed, the property taxes there derived from there will be put into paying off debt at the stadium. Is that stadium debt, the $75 million, is that the City of Winnipeg's debt? I'm not sure, but it seems it is because the City of Winnipeg's property taxes are paying off a portion of that debt. So, I don't see that reflected in this report and again, I think that our ratios could do better. Like, we're talking a one to one ratio of net debt to our annual income. And as a financial person, if I look at somebody's asset sheet and I look at long term assets, usually financial prudence like if it's two dollars of debt for every dollar of annual revenue, that's important. I think that's great. But, this one, as I read it outside of utilities for our regular roads and sidewalks and all that stuff, what I'm reading here is one to one, not two to one. So I'm interested in that because we do need to fix that but, so there is that issue. And I think that the…the final…there was one more issue but anyway, I guess I'm going to have to close without putting my last issue. I was unable to put the last note but just to summarize what I'm saying here is this city needs to look at its debt structure in terms of dealing with the old and dealing with the new. Because really, frankly, we need to improve that situation and really, this is about long term future. Shorter term decisions that may not reflect what we really need to do are not good and I do remember my final thing, remember this, new property that comes on line is still at 1998 dollars. We have a huge problem. That's what, 48% of our income now and it's still based on 1998 dollars, our property tax revenue from both commercial and residential overall. So for me, that talks about ability to pay and take on debt and that's a big problem. So you know, our operating budget reflects the inability to raise that property tax in the last 12 years. so please consider that and that's actually why I'm going to be voting against this particular motion because I don't know that my…the issues that I brought up have been dealt with in coming up (inaudible).

Mr. Speaker: Thirty seconds. Thanks, Councillor Eadie. Councillor Fielding.

Councillor Fielding: Great, thank you, Mr. Speaker. I would like to address some of the questions brought forward by Councillor Eadie as well as, overall why we're looking to do this. First of all, really what the debt strategy is, it's a framework document of…and it guides us in terms of our infrastructure span. There is obviously lots of talks all the time of how much money is there. I can say since the 1990s, I don't think anyone was here at that point, but there is a lot of money we're putting out in terms of debt. I think we had a fairly proud record in from the 90s in terms of reducing our debt load. What this document does is this isn't just us throwing a number against the wall, this is working with the bond raters to ensure that we maintain our credit rating, that's a part of it. If you look in the report, it talks about Associations that look in terms of the dollar figures that are there. This is a…kind of a rational approach I think it's…it allows us to understand how projects go up and how we're going to spend money. As governance you have a number of projects that are happening and I think our debt load peeks in about six years or some debt that does fall off I believe in 2014 or 15 if not mistaken but allows us…it gives us a framework of how much money there is to be spent. I can tell you, the last thing that I want to do, in just a Councillor Eadie's point, you know at the end of the day there is only so much money in the kitty. You know I mean we need to maintain our credit rating and I for one do not want to be a part of a Council where our credit rating is reduced in any capacity. I think it just shows poor planning. It shows a poor lack of planning in terms of your spend that's there. Would we want to spend more money on infrastructure? Absolutely but we do have to stay within the realm of what our credit rating had dictates. I think that would be a very bad sign, not just in terms of the amount of dollars it costs to borrow money but also shows to people outside of Winnipeg and everything else, a very negative trend if you will. You know, I think also, too, as we know, projects come up, right? I mean, there's been some talk and I think Councillor Wyatt's brought it up and Councillor Swandel's talked about it as little bit, you know you do have low interest rates right now so can you borrow an excess amount of money? Do the infrastructure that's there. But you do need some flexibility within your documents because as governments come and go, priorities happen and you're

aware we're having a provincial elections coming up. You're going to have a number of commitments from the provincial NDP. Whether they are elected or whether the Conservatives, there's a number of projects that are going to come up. We need some flexibility. It's the same thing with the stimulus package just two years ago if you would've asked us in 2006 is this money that we need to borrow to meet one-third funding for all these projects, the answer probably would be no, but all of a sudden the situation happened and there was an opportunity for us to help out the economy in terms of the stimulus that's there and have a bunch of good infrastructure projects that's there. So we need some flexibility. It peeks out in 2015, you know that I think it talks about in terms of some of the ratios if you will, in terms of the amount of money we can spend. It just gives a good guideline for that. So you know, there was some talk in terms of the utility. Well, I think if the Province allows the utility to go forward that takes off some of the money that's in terms of…on our consolidated statements if you're close, that would open up some more rooms. So I encourage you to provincial…to talk to the Province about the utility model again as well. And there also was some talk with the P3s. Well, the P3s are debt, everyone knows that. There's a servicing cost that's there, in the report it identifies in terms of…we've got to pay for the servicing of the debt so for every $10 million that you spend, or that you borrow if you will, it's going to cost just over $700,000 to service that. So it does impact the operating side of the equation. There are some discussions in terms of the operating. Well, you know if you borrow a hundred million dollars, it's going to cost you close to eight million dollars on the operating side. So there is impact that eight million dollars on the operating side is something you could put into whether you talk about better services in terms of the health inspections we talked about whether it be investing in Community Clubs, whether it's investing in things like more police on streets. There is an impact, but at the end of the day there is only so much money that that's going around. I think what's clearly been stated with the bond raters in terms of their approach is that we're taking a very prudent step in terms of having a plan to go forward. It just gives us a framework document. I'd also like to mention you know, with projects…projects come and go. Sometimes they get delayed, sometime they get cancelled, sometimes a whole host of things happen on the good and bad. So this is something that we need to review on an annual basis when we speak with our bond raters because I think at the end of the day, that's the most important aspect as a city to ensure that we have a good credit rating but it also allows us some freedom and flexibility in terms of borrowing and spending on important infrastructure projects as we go forward. So with that, I will close my comments with that. I do encourage everyone to support it. I think it's a very important document as we go forward. It just gives us a framework in terms of projects if there's changes in terms of our priorities, which projects we have and that can fit within the envelope of the money that's available. But at the end of the day, there is only so much money you can have and it has and impacts on not just the capital and your debt but it has impacts in terms of your debt servicing on the operating side of things. So I encourage everyone to support the debt strategy as we go forward.

Mr. Speaker: Thanks, Councillor Fielding. Councillor Swandel.

Councillor Swandel: Thank you. I've got a number of comments to make. I'll start by saying that large part of the problem our city's had is related to the difficulties that we had when our 1980s debt came up for renewal in the 1990s. That was the time when we saw significant increases in the cost of debt. At that time, the City was not getting 30 year terms and so we had big sticker shock as those short-term debts came up for renewal and we had to carry them on for a number of years. The City is being, so scared, so uber-conservative when it comes to borrowing money since that time, that I personally believe we've done ourselves a disservice. I think it was a few years ago I got some folks to run an analysis that if we were to take $250 million where there are $500 million worth of work that was to be done in over ten years and we were to borrow $250 million and take that $250 million, stick it in a bank account and spend it doing money from years five to ten or doing work from years five to ten in years one to five, because the construction inflation was running ahead of borrowing we actually ended up with a net present value gain of $35 million, and all that work done five years earlier. That's the kind of thinking that we need to have when we start talking about debt. We have to find value. We can't be stuck on that time in the 1990s when this city and yes, it hurt and yes, there was a lot of projects that sat by the wayside that didn't get done. But we can't be…continue to live through that piece of anecdotal information the rest of our life as a city. You know, when you look at cities like Calgary having debt as a percent of operating revenues of 102.9% and the City of Winnipeg having 41.7%, you have to ask yourself what infrastructure have they built that we have not yet built? You've got to be able to put this in relativity to this infrastructure deficit that we all talk about so much. As Councillor Eadie alluded too, there is no analysis in this and how it impacts our ability to deal with our ever compounding infrastructure deficit and where our debt would have to be in order to effectively address that issue because we know and we see a motion here today where we're going to the Province asking for $130 million. Well, you know, that the 1% of PST, 1 percentage point of PST if somewhere around $130 million. Well, in 2001 our entire capital budget was $157 million. But that's the kind of money we need to get in order to do that. So we haven't got any commentary in here about what would it take if we had to rely on debt to be able to address the infrastructure deficit to get that and what value that would bring to us in a long term. If we had that infrastructure we borrowed, what value would it bring? We need to be able to look at that when we're trying to effectively address this issue. And we all need to be aware that the City is very aggressively working on getting a very large scale asset management strategy together. We're driving out to 2013. We're going to have this whole asset management strategy that will be telling us how much debt we should be carrying in order to address the issues of our infrastructure deficit. What proper investment with full

life cycle management can…how that can resolve the reduced operating costs? And how do you manage those two pieces? Because you see a lot of the commentary in this as being relative to your operating budget. You know, I mentioned some numbers from before previous years in 2006 our operating budget was $721 million, 2011 it's $847 million. You know, it's a significant increase, that's $120 million in a fairly short time, and in only five years. You know, people always criticize and say you've never raised taxes but in fact, this is an issue of revenue. We raise revenue, that's the difference. When you look at the capital budget, I mentioned previously in 2001, it was $157.9 million, 2008 it was actually $421 million and 2011 it was 370 million. That's just where large projects come and go you'll see those types of spikes and peaks and valleys but the significant increase in spending but we need to do a more effective job of putting it all together. The borrowing, the cash to capital, the how relates to the life cycle management of this infrastructure, how it relates to our operating budget and how to get the best value. We also need to be aware there's charts in here and it's a little confusing because this is 2006 to 2008 information. There's been a significant increase in our assessment basis 2008 and I'm not sure the 2008 assessment…I don't recall what year it was built on but it was several years prior, at least two years prior if not more. So you look at our 2012 assessment coming out and what does that compare to? Where does that put our assessment base? But if you're not raising taxes, is your assessment base really where you want to go? And are these numbers adjusted for inflation? You know, you look at some of these charts where they've given you 2006 numbers, 2008 numbers but doesn't talk about how they are adjusted for inflation or if in fact, they are adjusted for inflation. And that's another big piece that needs to be addressed in here. The utility for the City of Winnipeg. utilities, water, sewer, they form part of our consolidated statements. So when we're putting out this report, we have to include our utilities in the City of Winnipeg's financial position when it comes to borrowing. I believe other cities that have stand alone utilities do not have to do that. These numbers in here include $350 million worth of borrowing or a large portion of that $350 million for nitrogen removal at our treatment plants or North End Treatment Plant I believe it is. If that work is not done, it certainly makes these numbers far more attractive for what we can do. When you look at the amount of debt that the report suggest that utility should carry relative to its revenues compared to how much debt the City should carry compared to its revenues. There's a great deal of room created if that issue goes away. We've heard that talked about and the Mayor has been a strong advocate for not having to do this. His language has been very strong as to where we should be going and what we should be doing and I believe he's even volunteered to go to jail on this issue if I'm not mistaken. We don't want that to happen, but we certainly want to be strong advocates to do the right thing. To get…not only to serve Lake Winnipeg but also to serve the citizens of Winnipeg and the Province of Manitoba. So I have more questions out of this that I have answers. I know that the answers are more going to come out of the Asset Management Strategy that we're going to complete in 2013. This isn't the bad place to start. We need to update our debt strategy. What we've been living with is our cake and it's based in a wrong place, in a wrong time. So I'm more than willing to let this move forward and continue to get this work done but there is a lot of work that still needs to be done. Don't fool yourselves. This is far more complicated than just this document and it falls into a lot of other pieces of this puzzle that we're constantly working on and as Councillor Fielding suggested, it has to have a great deal of flexibility. We have to recognize as a Council that we need to change when change is slapping us in the face when sitting in front of us. We can't be rigid in these approaches.

Mr. Speaker: Thanks, Councillor Swandel. Councillor Steeves.

Councillor Steeves: Thank you, Mr. Speaker. I'll rise in support of the report. I want to thank Administration for bringing this report forward. I know they've been working hard on this report for a very long time and I think it is a arguably one of the most important reports we've done in a long time if you look closely at it. This is a thoughtful look at our financial circumstances. And it behooves any organization of this size, well it behooves any organization period, to know exactly what their finances are and have a sober, hard look at where they are at. These are perilous times for Municipal Governments, not only this one, Municipal Governments across this continent, probably across the world. Provincial Governments, same thing and even our Federal Government is dealing with these very serious issues probably makes some sense to talk a little bit about our history here as a city before almost any of us were here, Councillor Smith perhaps the exception. This City in the late 80s, early 90s got itself into massive debt trouble. Massive debt trouble. At a point, I understand, in the 1990s, the debt situation was so bad that for a period of time, I think it was around four or five years, the City stopped doing for example, things like residential street renewal. Those programs came to a halt because they had to deal with their debt problems at the time. These are serious problems that Municipalities had to deal with at the time. We all remember the situation that the country was in in the early 1990s, when the Federal Government took over and had to begin a program of slashing all sorts of programming, all sorts of services, to make ends meet. The result ultimately was by the mid-90s, a balanced budget which was good, but it was a horrific employment situation for people coming into the market place. Many of us may remember, it's a time that I was graduating from university, there were no jobs. Every engineer, every teacher, every nurse and every doctor, almost who's graduated from the University of Manitoba was going down south to look for work because there was nothing here, because there was massive cut-backs in programming. The difficulty with debt is exactly that, Mr. Speaker. It is a tempting item at the time, but what it does do, is it binds future governments and it eliminates future governments' ability to make choices that they need to make at the time and that's the real danger with it. And sometimes it's hard to see that. And sometimes when you're dealing with issues of the day, it's tempting not to see that. And I understand that but

we have to be very, very careful. What's happening today is unfortunate with this Municipal Government. We're dealing with issues that are coming to us arguably not of our own making. The waste water upgrades that have been put upon us have put tremendous stress on this city financially. We can argue back and forth as to the merit of doing them. That…without question, the financial aspect of having to deal with these massive upgrades is putting huge financial strain on our debt load and as Councillor Swandel said, we are not in a position to divorce ourselves from that debt and at the end of the day, the taxpayer is going to be the person who pays for that debt ultimately. There's some good discussions that have been going on for a long time about whether all of that debt should be forcibly incurred on the City from the Province, but I guess we'll see how that goes. As Scott said, as Councillor Fielding said, this report is based on discussions with our bond raters in New York. They've looked at our debt situation and said for you to maintain your standing, quote unquote, this is where we recommended you go. I don't mind telling you that this is maybe a little bit higher than my personal comfort level but it is what it is, I suppose. We want to make sure that the professionals that we are relying on are giving us advice and we're following that advice that is going to keep us in a place where our financial credibility is never compromised, and this does that. But beware, as we move forward, any new debt that comes on should and always, hopefully, will be reflected and embedded through this report. Because if it's not, you're going to see some challenges in that area. My prediction is, is that you're going to see Municipalities in this country who are going to start seeing their credit ratings drop because the credit rating as explained to me and I'm far from an expert, is based not only on your personal financial circumstances as a municipality, but beyond that, has a lot to do with the Province behind you and their ability to sustain debt. Now, doubtless, most provinces or many provinces in this country have seen their ability to sustain and hold debt compromised and jeopardized as well over the course of the last couple of years at least, maybe few years. With respect to the infrastructure deficit and that is the biggest temptation of all to look to debt to fix. No one disputes the fact that there is an infrastructure deficit. No one disputes the fact that it should be dealt with. To my friend Councillor Eadie, I would only issue the caution that, if you hold our debt ratio numbers up against what we believe to be our infrastructure deficit, it is very, very unlikely that you would ever come to the reasoned conclusion that you can address the infrastructure deficit through debt. I would caution anybody against that method of thinking. We know what the SERP report did in the 1990s. SERP and the method of debt reduction in the late 1990s was one of the most intelligent things that this City…this Municipal Government has ever done. They took a methodical and reasoned approach to debt reduction through the late 1990s into the 2000s that saw our debt ratios dropping and improving and as a result, we saw an improvement of our ability to spend, our ability to operate. Now obviously, we're going back some, to the way it used to be but let us never lose sight of the way it was and how dangerous that was and what it did to our city at the time. This is a difficult thing, so I would commend Council for doing this. I thank our Administration again. I think this is wise and I hope we can all support it.

Mr. Speaker: Thank you, Councillor Steeves. Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. It's a thoughtful report. It's an excellent report and it's a great discussion we're having. My friends from the Riel Community Committee appear to be on opposite ends of the spectrum when it comes to how we move forward to handle our infrastructure deficit relative to debt and relative to our taxation policy. I'm not one for standing up and repeating what's already been said because there has been a lot of good statements are already made. I just want to maybe put an exclamation point on what's been said. If you read the report, they will say that the cost to raise the average condition of the City's infrastructure to an appropriate asset management condition has most recently been estimated at 3.5 billion, growing to 7.4 billion over the next ten years. Over the next ten years, it's roughly going to double, a little bit more than double and that's astounding when you think back in 1998 and I think I'm one of the few Councillors that was here in '98, where our cumulative 10 year infrastructure deficit was less than a billion. So in this 12 years you've gone from less than a billion to 7.4 and those were the years where we actually…I lived through them, where there was zero money for residential streets renewal. In 95, 96, 97, absolutely no money which of course contributed to the 7.4 billion. I'm not sure if that was prudent but they were different times. In fact, I don't think they were which is why I voted against it, but they were different time with a different financial context where we were the highest taxed in all of Canada and clearly that beast had to be wrestled to the ground only to create something else. So that's really what I wanted to say as I know there is an infrastructure motion later, I'm not sure what we're going to do with it, but this is something that we do have to get a grip on somehow. We're clearly leading the pack in and that's in spite of the fact that we've spent millions of dollars on Chief Peguis Trail, the Disraeli rehab, downtown police station, four police stations all across the City of Winnipeg which aren't constructed yet, but will be, four fire stations across the City of Winnipeg which will be constructed, Southwest Rapid Transit Corridor, arterial roads in different parts of our city and different stimulus programs where we're a third, a third, a third with each level of government which as we know we can't afford to do that on a continual basis, So we have spent a heck of a lot of money in the last five years and the infrastructure deficit unfortunately has not reflected that amount of spending so we really have to marry all of these discussions, taxation policy, debt policy, infrastructure policy for the good of our City going forward. Thank you, Mr. Speaker.

Mr. Speaker: No further speakers? Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. First of all, I think I would like to address a few issues. Infrastructure deficit, let's all be clear of the issue as Councillor Vandal said, $7.4 billion of infrastructure deficit. It kind of slaps you in the face when he says where we were not that long ago of a billion where we are right now. And let's all be very clear. You're not going to address that with debt. If you want to address that problem and I certainly hope that all Councillors do, and I hope Councillor Eadie will support it There is a motion on the floor that will be coming forward to address our infrastructure deficit. But Mr. Speaker, what we're talking about here is smart debt. That was pointed out by several of the Councillors. In certain economic times, if you can borrow at a lower rate than the cost of construction inflation, it's rather astute to pay me now as opposed to paying me double or triple or four times, later on down the road. I think everybody gets that. I would very much like to enlighten Councillor Eadie that on the football stadium, the City of Winnipeg has no debt. We have no debt on our books for the football stadium. Let's make that very clear. And let's also discuss P3s. P3s are very valuable tool when used properly because although one side has pointed out the cost of borrowing, somebody seems to forget about how much you'd spend on 30 years of maintaining an asset. We spend zero and it's turned over in pristine condition Mr. Speaker, I find it always interesting when those who don't like P3s seem to neglect that. But that was just pointed out that I'm sure Councillor Eadie might be aware of that. Mr. Speaker, this is obviously something that has involved a great deal of work. If you look at where we are now, the forecasted peak, the recommended limits, we are well within that. And the realities are we have been borrowing; will continue to borrow. The key thing is to make sure you have the revenue to pay for that borrowing. I will certainly support this. I commend the department for doing their due diligence in a very astute report and there will always be this argument: whether we should be borrowing more. But the facts are we have report here and I will support it. Thank you.

Councillor Swandel: Recorded vote.

Mr. Speaker: Recorded vote has been asked for on the debt strategy. Item 6. All those in favour, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Fielding, Gerbasi, Havixbeck, Orlikow, Pagtakhan, Sharma, Smith, Steen, Steeves, Swandel, Vandal, Wyatt and Mr. Speaker Councillor Nordman

Nays

Councillor Eadie

City Clerk: The vote Mr. Speaker, Yeas 15, Nays 1.

Mr. Speaker: Thank you. Councillor Pagtakhan has stood down No. 8. Mr. Mayor.

Mayor Katz: Mr. Speaker, I'd love to hear from Councillor Pagtakhan

Mr. Speaker: Sure.

Item 8 – Removal from Community Centre Inventory – Tyndall Park Community Centre Satellite Site – 2370 Burrows Avenue

Mr. Speaker: Councillor Pagtakhan.

Councillor Pagtakhan: Thank you very much, Mr. Speaker. It was almost a year ago today I had the good fortune and good pleasure to meet with the Executive Director of the Garden Grove Child Care Program, Jodi Ramgotra, members of the Board, Penny Daigle and Marc Desrosiers who are in the gallery today. And you know, they had an idea Mr. Speaker, and they pitched me this idea about utilizing an under-utilized space, our City of Winnipeg asset, the Tyndall Park Community Centre Satellite office on Burrows Avenue and they are just basically a stone throw away from this place attached to the Garden Grove School and they want to expand their daycare program so I challenged them and said, "Listen, you know if we're going to help you, we've got to, number one, see if we can make it also a community-use base and if you guys can do this, if you can line up the funding to do this then I think we've got something to work with". So they basically…we had I guess, a follow up meeting a couple of weeks later and things were on the move and you know, they surprised me. They've got their things in order and soon after that, I guess just after the election we had a chance to meet with Mayor Katz and he was very supportive of this project. So I really want to thank Mayor Katz for his leadership and support in terms of ushering this project through and just especially thank our delegation today, Suzanne Otte, Penny Daigle, Marc Desrosiers and especially the Executive Director who couldn't make it here today, she's out of

town, Ms. Jodi Ramgotrafor the wonderful work that they're doing and I hope that this Council vote unanimously on this Mr. Speaker, to make this something that these good folks, these role models of our City of Winnipeg can sort of realize the fruits of their labour so with that I hope that we will support this motion.

Mayor Katz: I concur with my colleague 100 percent, Mr. Speaker.

Mr. Speaker: All those in favour? Opposed? Motion carried. Mr. Mayor you have a motion.

EXECUTIVE POLICY COMMITTEE
MOTIONS

Motion No. 1
Moved by His Worship Mayor Katz,
Seconded by Councillor Browaty,

WHEREAS the Infrastructure Funding Council (IFC) report was submitted to the Executive Policy Committee on May 18, 2011, indicating that new sources of revenues are required to address the existing infrastructure deficit of $3.8B and estimated strategic infrastructure deficit of $3.6B over the next 10 years;

AND WHEREAS the Government of Canada rebates 100% of GST to The City of Winnipeg;

AND WHEREAS the IFC estimated that the current PST rebate to the City of Winnipeg would amount for $10.5M;

AND WHEREAS the City of Winnipeg received $41M from Gas Tax Fund, which was made permanent by the Government of Canada in 2008;

AND WHEREAS the IFC concluded that the federal Gas Tax Fund should be indexed to reflect the population growth and the growth in the economy;

AND WHEREAS the IFC report indicated that a 1 point share of the existing 7% PST, over and above 2011 budget re-allocation, should be dedicated to municipal infrastructure;

AND WHEREAS the Building Canada Fund expires in 2014, which jeopardizes the future of Council endorsed infrastructure projects;

THEREFORE BE IT RESOLVED THAT City Council calls on the Province of Manitoba to:

i) Rebate of PST for City of Winnipeg purchases

ii) Provide a 1 point share of the existing (7 point) PST, over and above 2011 budget re-allocation, dedicated to municipal infrastructure;

BE IT FURTHER RESOLVED THAT City Council calls on the Federal Government to

i) Index the Gas Tax Fund to reflect the growth in the economy and population.

Mayor Katz: As was just discussed, I think we all realize other realities that are facing our City when it comes to infrastructure deficit. We know that this is a revenue problem. We know that we need more revenue, and if you look at the three key items, one is the rebate of the PST for the City of Winnipeg purchases provide a one point share of the existing, seven points PST over and above the 2011 budget reallocation and as well as call on the federal government to index the gas tax to reflect the growth in the economy and population. Mr. Speaker, all of these will give us the tools, the revenue that's necessary to truly address our infrastructure deficit. The realities are we can sit here for weeks and debate it but without the revenue, the dollars and cents to get things done, we're not going anywhere. This is basically I guess you might want to call it a call to arms, saying that this is a problem that everybody has to participate in. We, the Municipal Government have a role to play and we are certainly doing our best to do that and we are just discussing, just not a little while ago how we may have to borrow monies for whatever the case may be and using whatever tools we have, but we certainly need to work with both the Federal and the Provincial Government and that's exactly what we're saying here. I think the motion is very clear. I'd love to hear any comments that people have and I certainly hope this motion will be passed unanimously, Mr. Speaker.

Mr. Speaker: Automatically, sir, it would be referred back to EPC but I understand you'd like to suspend the rules so we can deal with it today.

Mayor Katz: Mr. Speaker. I would definitely move to suspend the rules.

Mr. Speaker: So we needed two-thirds support to suspend the rules so we can deal with this today. Those in favour? Opposed? All right. We've suspended the rules and we're going to deal with Motion 1 today. Councillor Eadie is our first speaker.

Councillor Eadie: Yes. Speaker Nordman, this is an excellent motion. I think that every Mayor of every city across the country would appreciate the approach we're talking and in this resolution. A bigger share…as a matter of fact, I believe that all the gas tax in this country should be redirected to cities to make decisions about where to spend that money, well, I guess less the amount of money for the TransCanada Highways and stuff. But to me, the cities are the ones of great need to make decisions in terms of this revenue, and it should be indexed, yes, by saying it's a percentage that goes to the cities. If it's not all of it, hopefully it's a good enough portion that would sustain our ability to pay for infrastructure. Because Speaker Nordman, in the last discussion, people refrain me and saying, "Well, let's just borrow a whole bunch of money and not have any money to pay for it". That's called no tax and spend. That's the worst thing you can do in a country, in a city, in a province is to do that because that means deficits and huge debts that run out of control and yes we might be poised for future interest rates that will go higher and in order…if we can get a substantial amount of revenue to offset, to pay for debt, I think that that's very important because now is the time actually, that we should be looking at taking on debt when the interest rates are so low on 30 year terms because in the future, that is not going to exist, because that's what happened in the 1980s and in the early 1990s, huge interest rates. That's why this city went through what it did. So really, the construct when we talk about debt is actually the ability to bring in revenue to be able to pay for the infrastructure. So if we have an infrastructure debt, we're missing, what I heard one Councillor say over $7 billion maybe. Well, you know if that's what we really need to have a sustainable city that's able to thrive and do well which it is doing now, and I think that that's great. This resolution which brings in some revenue that way is a constructive way to deal with debt. I'm not you know, you need to be able to pay the bills and make no mistake Ross Eadie is a frugal person who looks at all aspects of the finances to deal with these issues and I congratulate the Mayor for bringing this resolution. I'm glad that all of City Council, Speaker Nordman, has voted to suspend the rules to move this on because this is really essential. At this time we need to do this because frankly the Federal Government is at a point where they've been reducing their revenues and spending more. If we don't get this deal done now with the Federal Government, we're going to be in big trouble, so let's move it ahead, let's get it done, chop chop! Thank you.

Mr. Speaker: Any further speakers? Councillor Wyatt.

Councillor Wyatt: Mr. Speaker, I'm very supportive of the ideas in terms of the recommendation here. I think we all know we need more funding for infrastructure. I guess the…what I'd like to know, maybe this could be addressed as a mover when he sums up, is this the summation and result of the Infrastructure Council report, and the implementation of its recommendations? Because they had a lot more…there was more recommendations than just these recommendations in terms of the IFC's report. Is this what this Council is going to be acting upon in terms of that report? Because on the outset of the whereas clauses that's what's referred to at the top. So I'm just curious on that. We haven't had any recommendations coming back flowing from the report so I'm just wondering, is this the outcome of that or are there any other recommendations that are going to be enacted upon? Because that would then determine my support of this clause, Mr. Speaker.

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. As the appointee to the Infrastructure Funding Council following Councillor O'Shaughnessy's departure from this Chamber, it was very interesting exercise going through all discussions and all the possibilities for revenue. As it's been pointed out many, many a time in this Chamber before. Municipalities get between six and eight cents of the taxpayer's dollar. Again, I'd be the last person to say we need to raise taxes but when you look at our streets, our crumbling parks our infrastructure, we need to find a way to tackle these things. And based on this whole menu of options that came out in one of the appendixes of the IFC report, the two items that I think we need to act…the two items that we thought made the most sense to act upon right away in my opinion. were in fact getting back the PST that the Cities spend on projects. You look at a big project, you're building a new bridge or a Disraeli or whatever, I mean, seven percent is far from inconsequential. But again, it comes down to everything we do on an every day basis whether we're buying office supplies, whether we're…we're doing whatever, paying PST is seven percent, it is a huge chunk. We already get the GST back. These mechanisms are already in place. It only makes sense to go after that seven percent. Beyond that, one point of the existing PST makes infinite sense as well. That way it's a growth based revenue tax. It's a growth based tax. Provinces as well, the…everything does, everybody does as well. The City of Winnipeg reaps in those rewards. It's not just shared and we always talk about

various projects and stuff. You know we bring in tourism, we bring in this and all that. Where do we get our…where does the City benefit from bringing lots of great things to our City? I mean, before the municipal accommodations tax was noting at tying it into the PST we see growth. The Province sees growth. We all win together. I think it's a very positive way about going about things. The gas tax, again, that only makes sense. We see the price of gas going up, gas tax or even the GST on gas is growing. That makes sense as well One issue that isn't addressed in these recommendations that I'm still very passionate about is the fact that the majority of the gas tax….the Province of Manitoba always brags every penny of gas tax raised provincially is reinvested and grows in our province. Well, then maybe accurate that the problem is the vast majority of the money is raised in the City of Winnipeg but the vast majority of it also leaves the City of Winnipeg. We need to work harder to get a bigger share even of the Provincial gas tax revenue. Again be on the scope of today's motion, but again a personal heave of mine. So again, I think it's a balanced approach and I hope everyone here today can support this motion.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. I rise in support of the motion obviously. This is certainly not a new issue. It's an issue that's as old as the SIRP report and I wasn't sure we were going to have this discussion today but I happen to have a report on the existing infrastructure deficit which I believe Councillor Wyatt was the Chair of the Infrastructure Secretariat a few years ago and did some good work. And we touched upon this briefly in the debt discussion where they project a cumulative ten year debt, an amount of $740 million, within the next 10 year. I mentioned that when the SIRP report was released in 98, the annual deficit for infrastructure was 82 million and a ten year amount was point eight billion in 98. At the time of the new deal in 2003 where there was a lot of public discussion on the whole issue of infrastructure and a better deal for municipalities, that deficit rose to an annual amount of 188 million. So in four years, it rose by over 100 million. In 2010 it had risen to 380 million, in roughly 12 years, and of course, projected to rise to $740 million in ten years for $7.4 billion deficit. Mr. Speaker, there have been some increases. There have been some gains made over the years with the gas tax. I know we fought very hard for that and I know the indexation is in there and it's certainly it's very supportable but I think we've heard a couple of strategies from Council today on how to move this forward, and I think the key consideration for us is that we need more revenue streams. We get, I believe, eight cents of every tax dollar in the City of Winnipeg. There's no way in heck you're going to borrow more money if you can't service the actual debt of money you're borrowing. So for me, the key consideration is more revenue streams for not only our municipality Mr. Speaker, but every major municipality across Canada and I think that can only be achieved through public pressure or negotiation with the Provincial Government, with the Federal Government, engagement of the community. I'm actually disappointed that there's not a lot of people in these chambers today to back our position for a better deal with the Provincial Government. I think, let's face it, that's the only way Mr. Speaker, the Provincial Government are going to feel the heat to actually sit down in good faith with the City of Winnipeg and negotiate face-to-face for a better deal. Be that as it may I know that Councillor Browaty put a lot of effort and time into the Infrastructure Funding Council. Their report was thorough. The recommendations in front of me, I support 100% and I hope that we can parlay this to a better deal for cities with a provincial election around the corner, I think the time has never been better to sit down with our potential elected officials, Cabinet Ministers, Premiers and see where they stand on a better deal for cities. Thank you.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. I just want to go back and talk a little bit about the history where this all started. I'm not sure that everybody recalls. There was a time in this country where we had 7% GST, and provincially here we had 7% PST. When one of those GST points was eliminated by the Federal Government, there was a comment made by the Prime Minister that that would create the room for the municipalities to do or for the provinces to do something for the municipalities. Made the Federal Government look like heroes by reducing taxes and suggested that the Province that they need to raise taxes in order to address the needs of the Municipality. I don't know of a government out there that wants to stand up and say, "Okay, we're going to do that. We're going to raise the taxes. That's a very awkward political position to put the Provincial Government into. I support this idea of one percent of PST being dedicated to infrastructure. But I think we have to have the Federal Government at the table as well. The elimination of those two percentage points of GST, done at that time, I think were a great disservice to this country and in particular to our Municipalities. Yes, we can stand up as politicians at the municipal level and say we need this and just say it. We don't think through how it is the Province can accomplish that and I don't care whether it's this government or the government of yesterday or the government of tomorrow. This sounds great but how easy is it to do? How long are we going to continue to go down this road of shaking our stick at Broadway and demanding that we get more money for infrastructure? And as we don't have the wherewithal to do it ourselves, we know that. The money has to come from somewhere. You know, both our Provincial and Federal Governments, we see them struggling financially right now so if we're going to take for the City of Winnipeg $130 million from them, where is that money going to come from? Yeah we could come up and say, "Well, maybe the employees will work less or maybe we'll have less parks." or you know whatever. But at the end of the day, where do you find as one taxpayer, $130 million more on an annual basis

for the City of Winnipeg? So, I don't have the answer to that question but I know it has to involve all three levels of government because I see a void there. I see two percentage points of GST that this country had accepted for quite a long time, gone from the equation. I don't know that if we can pick up even one of them back up and have the Federal Government say, okay even though there's not a direct relationship between the Federal Government and Municipalities because constitutionally the Federal Government has to go through the Province. This one percentage point of GST that we're going to reinstate must flow through the Provinces to the Municipalities is that maybe the way you get this job done because as I said at the beginning, I don't know where this $130 million is going to come from, from the Province. You look at the problems, you know you read today's paper, the economic impact of the flooding we're experiencing right now to the economy of Manitoba in excess of a billion dollars. The cost of dealing with it in the tens of millions of dollars we're not in a great time as one taxpayer to be saying to the Provincial Government, give us $130 million. Yes we need $130 million, as citizens, as one taxpayer we need it. But how do we become successful in getting that? And I don't think it's just a commentary with the Province. It has to be a commentary with all three levels of government at the table. Thank you.

Mr. Speaker: No further speakers? Mayor Katz to close.

Mayor Katz: Thank you, Mr. Speaker. I think the first thing I'd like to do is address Councillor Wyatt's question regarding the Infrastructure Funding Council. These three points in the motion are basically what I would call the first step. Councillor Wyatt may not be aware of the fact. He obviously knows that there are other recommendations. We have actually sent them back to our Administration to study them and come back to us and hopefully there will be more flowing down the road. But these are three we believe we can act on. And I guess, Mr. Speaker, what this is really all about is the big picture. You've heard so many people say you know, the City of Winnipeg we get 7.4 cents out of every single tax dollar and the Province is approximately 64 cents. You can see who's getting majority of the money. What this really is about is about the change that's taken place and right now it's different than it was a hundred years ago. It's where the majority of the people are living. Unfortunately, they're not in the country any more. They've come to the city, and reality is, what this is really all about, Mr. Speaker, this is about a redistribution of revenue. The money is there. It's a redistribution of revenue and that's what we're looking for. Mr. Speaker, I will say what I'm about to say and I will go to bed at night sleeping really well. The facts are that Municipal Governments across the country need more revenue number one. Number two, Municipal Government is the one who's in touch with the citizens on a daily basis. If you take the average number of phone calls that every Councillor here gets compared to the MLA or the Member of Parliament. You know who's talking to the citizens on a regular basis and you know who the citizens are calling on a regular basis. I mean, Councillor Eadie pointed out the calls he gets. I can assure if you take the number of calls any Councilor gets, compare it with the other elected officials, we know who the public communicates with. And the facts are, Mr. Speaker, Municipalities need more autonomy. They need more authority to do things and they need a share of the existing revenue stream to solve the problem that exists today which will only get worse and will multiply if it's not addressed now. I certainly hope that every single Councillor will support this, and I certainly hope that we do whatever we can to lobby whoever is in power at upcoming election to make a commitment to what our city needs to solve power problem and keep something in mind, Mr. Speaker, where does the majority of the population live today in our entire province? In the city. Thank you, Mr. Speaker.

Mr. Speaker: Recorded vote. All those in favour, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz. Councillors Browaty, Eadie, Fielding, Gerbasi, Havixbeck, Orlikow, Pagtakhan, Sharma, Smith, Steen, Steeves, Swandel, Vandal, Wyatt, and Mr. Speaker Councillor Nordman

City Clerk: It is unanimous, Mr. Speaker.

Mr. Speaker: Thank you, Council. Mr. Mayor, we have some by-laws.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS

Mayor Katz: Thank you, Mr. Speaker. I was so happy, I was celebrating. I need a moment to celebrate. Mr. Speaker, I would like to move that the following by-laws be read a first time, By-law No. 72/2011 and By-law No. 73/2011.
Mr. Speaker: All those in favour? Contrary? Carried.

Clerk: By-law No. 72/2011 and 73/2011.

Mayor Katz: Mr. Speaker I move that by-laws numbered 72/2011 and 73/2011 be read a second time.

Mr. Speaker: All those in favour? Contrary? Carried.

Clerk: By-laws numbered 72/2011 and 73/2011.

Mayor Katz: And I'll move that the rule be suspended and by-laws numbered 72/2011 and 73/2011 be read a third time and that same be passed in order to be signed and sealed.

Mr. Speaker: All those in favour? Contrary? Carried. Question Period, Mr. Mayor.

EXECUTIVE POLICY COMMITTEE
QUESTION PERIOD

Mayor Katz: Yes, I will take questions, Mr. Speaker.

Mr. Speaker: Councillor Gerbasi, Councillor Smith, Councillor Eadie, Councillor Wyatt. Councillor Gerbasi, you're first.

Councillor Gerbasi: Thank you Mr. Speaker. This month, in the last week or two, whatever it was, there was a tour of Phase 1 of the Rapid Transit Corridor. It was held, and I attended that along with Mr. Sheegl and Mr. Robinson, and the project continues to be on time and on budget. It was extremely exciting to zip down at close to over 70 kilometers an hour and we couldn't go faster because it wasn't quite finished yet, past the traffic on Donald Street. As I've often described what it will be like, again to actually experience that, and I'm quite sure when the public experiences that, when the corridor is open next year, there is going to be a continued public demand to complete it to the University, and my question today has to do with the funding of that next phase. I recently had the opportunity to speak with P3 officials, P3 Canada officials, just to ask them questions about the program criteria, and I was advised that basically the bottom line is not really going to change in terms of the requirements. It's still going to require, only cover up to 25% of the eligible costs of a project and so we have to come up with the other 75% at a minimum, and also it continues to be a requirement that the project must be a P3 as defined as a design build as well as privately financed and/or operated, and there's been little take-up across the country to date for public transit projects or for transit projects in Canada because public transit is run as a public service pretty much everywhere in North America, and I'm not sure what the public appetite would be for taking our public transit system and having a private company run some part of it. So…and then the private financing part as we know, can often be a lot more expensive and is not always the right way to go with each project, whereas, so using this fund locks us in to a P3. So I guess my question, Mr. Mayor, is, is it still your intention to seek funding from the P3 fund for the next rapid transit project in Winnipeg?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, through you I thank Councillor Gerbasi for that question and I think it would be my intention to continue to seek funding from the Federal Government for rapid transit throughout the City of Winnipeg. I think we will always go to the Province just like…I'm sorry, to the Federal Government just like so many other cities have done and been successful. I think that's incumbent upon me as the Mayor, as well as the Premier. We'll continue to do that. That's number one. Number two, I'm very happy to see the smile on Councillor Gerbasi's face after she had the experience and I'm sure she's very cognizant of the fact that with what's going to be complete by the end of the year, we've eliminated two of the major obstacles that caused the big delay in traffic by the Mid-town Bridge and "crazy corner" which were basically mountains to be climbed, and so it's had a major positive impact, but I can assure Councillor Gerbasi that every opportunity I get, and keep in mind there's always new funding that comes forward for different projects, I will continue to seek funding from the Federal Government for rapid transit, period.

Mr. Speaker: Second question?

Councillor Gerbasi: My next question has to do with…it was…we all saw the article today. I guess a lot of us get our information from the Winnipeg Free Press, that there's a deal in the works on the Convention Centre, and I think everybody's happy to see something happen with the Convention Centre. That's certainly not the issue. I guess I'm just wondering what is the status, given that everyone is agreed to build the Plessis Underpass which is, I don't know if it's 50 or 75 million dollars that's going to cost, and the Convention Centre, there wasn't a cost outline, or maybe it was a couple hundred million dollar project. I guess I'm just wondering is our Building Canada funds basically expended now? We have a list of 11 that doesn't include the second phase of rapid transit, so I guess I'm just wondering if Council could be made aware of what money is left from our infrastructure money? Are we down to zero now with these projects? And

it kind of makes you wonder about that list because we seem to be working on…the Convention Centre wasn't even on that list, so I don't know if there's any clarity you can provide to that situation with our Building Canada funds and what's left of them at this point.

Mr. Speaker: Mr. Mayor.

Mayor Katz: Mr. Speaker, I think I can provide some clarity. First of all, as far as the Convention Centre is concerned Mr. Speaker, I think everybody is aware that this Council was proactive and we started to address that issue a few years ago basically with the accommodation tax and we set aside funds to deal with that. So we know where our money is coming at. As far as the other levels of government, I think Councillor Gerbasi may have to call the Provincial Government. I know she has friends in powerful places and maybe they can let her know the answer to that. I can certainly tell her where our money is coming from and we're certainly prepared for that, but I think if you take the question from Councillor Gerbasi and start doing some arithmetic, you can probably see if everything's coming from the same well, there is no money left in that well, but specifically as other levels of government I think she might want to talk to them directly. I can assure her that our money is set in place to do that, and that's why we took those steps several years ago Mr. Speaker.

Mr. Speaker: Last question.

Councillor Gerbasi: Thank you. And my last question I was just going to follow up, I don't believe I've received an answer yet regarding the issue of the $7 million that was set aside at whatever point in time for the water park project issue. I'm still trying to get a sense of what's happening with that. I'm still not quite clear how to answer to the public on what is happening with that money and that supposed water park that we were going to get. Thank you.

Mr. Speaker: Mr. Mayor.

Mayor Katz: I thank Councillor Jenny Gerbasi. The facts are, Mr. Speaker, that money still is set aside to see if there is a deal to be brought to fruition and if there is no deal on that, then obviously we'll have to deal with that at a later date, but I think we should have an answer before prorogue, so we'll be able to deal with it one way or the other, but the money is still set aside.

Mr. Speaker: Councillor Smith.

Councillor Smith: Mr. Mayor, last meeting I asked you about the Taxicab Board, and you said at that point "I'll be happy to get back to Councillor Smith with a very definite response", and I've been waiting by my phone day after day, checking my e-mails. I haven't heard a word from you. What…and you know at that same meeting, Councillor Swandel made a very valid point. He said "It's extremely important for us to be there and be strongly represented there." So did you take that with the Premier or the Minister? What has happened? Why are we not represented on the Taxicab Board?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, I finally now understand, knowing that Councillor Smith has been staying up all night long waiting for my phone call, why he has that tired look on his face, so after today I'm going to make sure he can get some sleep.

As I committed to Councillor Smith, I told him that I would take action. I have written and sent off a letter to the Minister saying that we want to be part of it. It's extremely important for the Councillor to be there. He wants to attend these meetings. Unfortunately you hold them on the day of Council or EPC and I've requested for them to look at changing to an alternate date and Mr. Speaker, I'm waiting for the Minister to respond. As soon as he responds to me I will share that information with Councillor Smith.

Mr. Speaker: Good enough? Councillor Eadie.

Councillor Eadie: Thank you Speaker Nordman. Through you to the Mayor, I think Mayor, you're a really good deal maker. You've built your life and career on making good deals and I have some concerns. This is about…this isn't really political. It's…what I'm…the reason I'm asking this question, it has to do with the ability in the future for the people of the City of Winnipeg to be able to afford to live in the City and to make sure that they are not being consumed by not having money then to pay for education and other things that might come out of one's pocket book, so it's really not a political question but it might be politically motivated in terms of we have a contract with…well my question is not motivated, but some of the stuff has been political. Veolia, we have a contract with them for, so far for costs that we'll incur for them to, I

don't know what they're going to build yet at this point I guess, although I think the Province has made that clear, I don't know. But the point is though, is that we have an ongoing cost through the Veolia contract that takes us well into the future, a very long term contract. We have other demands on our infrastructure, and I understand that we are now engaging in making agreements with Capital Region, and I think that's important because you know the reality is we do exist with Capital Region entities all around us and we do need to deal with and work I think in a fair way with those people. My question really is, what I'm really concerned about is that if we're making agreements with municipalities outside of Winnipeg, I want to make sure that our costs are covered in terms of what the real cost is. We don't know what the full costs are going to be in the future for a number of our water and sewage issues. Mayor, can I get some assurances from you that these things will be taken into consideration in terms of what the real cost is going to be in order for other municipalities to hook up to our sewage?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker through you I thank Councillor Eadie for that. Since I've been Mayor, Mr. Speaker, there has been discussions on providing services to the Capital Region. That's a debate, believe me. Some people think it's good, some people think it's bad. The facts are, development is happening there regardless, and there's nothing we can do to stop it. Our hope was to have some input. It doesn't make one very happy when there's a residential development right on our border, okay, and they're basically paying one-third or one-half the taxes, but they're basically utilizing all the services of the City, driving on our roads and basically costing us money. There's no question about it. What I can do is assure Councillor Eadie and all of Council that if the City of Winnipeg moves forward with anyone in the Capital Region, and not only should it cover our costs, but I think we should be getting a premium in my humble opinion, Mr. Speaker, or a share of certain revenues, however you call it, it doesn't make a difference, but we should be making money on any deal that we do with anyone in the Capital Region. I feel very strongly about that Mr. Speaker, and I hope that addresses the Councillor's issue.

Mr. Speaker: Second question Councillor Eadie?

Councillor Eadie: Yes, just to follow through on that one and just to confirm that yes, whole heartedly agree that we need to recover the full costs of what we're going to supply to that and I'm not sure if that means that the people who live in these outer municipalities. Just because I don't understand what kind of deals might be entered into, once they're hooked up to the sewage I guess they would be paying the same water and sewage bills that we would be paying within the City in order to cover off those kind of infrastructure escalating costs and so on to maintain. Would that be correct?

Mayor Katz: Mr. Speaker, what the dialogue usually comes down to is basically water and sewer as we've just stated. We have the ability through our utility to actually calculate what those costs are, and just to make it clear, in my opinion, okay, not only should they be paying what those costs are, but I think we should be making money on top of that Mr. Speaker. So hopefully that makes it very clear to Councillor Eadie what I'm saying here.

Mr. Speaker: Last question.

Councillor Eadie: I think we should just recover what the full costs are. Personally I don't think we should profit on anybody but, because there are other agreements we could deal with. But just in terms of maintenance, and you know, that's a key for any kind of City asset and it's maintenance, so if we're hooking people in and yes, the residents of say West St. Paul will be paying for the sewage to come on line whatever that cost is to bring it into their homes, will be covered off I'm sure by themselves, not by us, but they'll be hooking up to our sewage, but this maintenance, the ongoing contribution of maintenance, and so well maybe this is where we might, I don't know, do you make a profit or…we need to make sure that the proper maintenance dollars come in. That we supply good maintenance dollars to the private sector when they lease us bridges. They have enough money to make sure that their bridges look good, so I guess the final part of this is just, will we get appropriate maintenance dollars just to maintain our systems, because you know I think it's been a record of the City that we're kind of negligent on our existing infrastructure that we actually own ourselves.

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, a few minutes ago Councillor Eadie started with a comment that the Mayor is a really good deal maker, so I'm going to ask him to believe in his statement and to believe the fact that when I say we should be getting a premium, we should be getting a premium, because either we get a premium Mr. Speaker or we get a share of the tax revenue that we're creating that we're losing Mr. Speaker. It's one or the other okay. When they get those services there will be more development and if we're not getting a share of the taxes, we've got to get a premium somewhere else. We have to be getting revenue out of this deal otherwise it would make absolutely no sense in my opinion for the City to move forward. That's number one. Number two, the Utility, when they do their calculations, should

be taking maintenance into account, Mr. Speaker. It should be the overall cost and that's how it works in any good business. You basically are charging now for maintenance you're going to have to do later on. Thank you, Mr. Speaker.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Yes, I'm going to just follow up on a question that was kind of asked by Councillor Gerbasi but I'll get into more specific about it, and that is the Building Canada Fund. From what I understand the Provincial Government has to, by July the 4th, make any announcements that they wish to make. Based on their election laws and election rules they cannot make any dollar announcements after July the 4th. We've been waiting now for the Building Canada Fund for upwards of a year and a half in terms of trying to get it resolved. We all know all the motion that we had here last year and the work that the Mayor has done on this matter. We know that the Plessis underpass was committed but of the balance of the fund, is there any…is the Province going to make a commitment or are we going to see an announcement in terms of the other priorities that we've identified as a Council before July the 4th?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, as we all know, and there's a little confusion about July the 4th. One interpretation is they can't make any new announcements. The other one is they can make a new announcement on something they've already been working on and has been kind of made public before, so I'm not sure which one is accurate but I'll just share that information.

As far as Building Canada Funds Mr. Speaker, we have sent our list that was moved by Council, okay, to the Province of Manitoba. As you know, now we've celebrated over our one year anniversary and there hasn't been a lot of progress other than Plessis Road. The reasons for that, I don't think we have to discuss but it happened and I think most people understand why it happened. Both the Federal and Provincial Governments have basically endorsed that. I think Councillor Gerbasi, who may not be Einstein, but obviously has very quickly figured out, hey, how much money is left because there is a lot of money being talked about right now. What, if anything, is left which I think is a very good question. If you're asking me, will there be a further announcement on Building Canada Funds? You will know as quickly as I know because anything that happens has to come to the floor of Council. I'm not aware; I can tell you that I certainly have brought up more funding for community centres, Polo Park, as we're going to do development. These are on-going conversations when I continue to see the Premier, and there's a lot of discussion and Councillor Gerbasi mentioned the Convention Centre and that certainly has been thrown out there. I'm sure other people have heard comments about CentrePort. There's a lot of stuff that's thrown out there. We have our list on there and the only thing I can tell you for certain right now is Plessis Road definitely is being supported by all three levels of government today as we sit here, 100%.

Councillor Wyatt: Thanks for the assurance on Plessis Road. It was announced. You know, there were many items on that list in terms of the priorities of Council. I'm going to just mention one and ask a question on it, and that is, the 20 million more for regional streets. We're spending I think 10 million now on regional roads. The 20 million more on regional streets is desperately needed. What does the Province have against spending 20 million more against regional streets? Why is the Premier so opposed to that, that he is not prepared to make that announcement today that there should be 20 million more to be spent on regional roads across our City that benefit our City to maintain them and renew them Mr. Speaker. Why is he against that?

Mr. Speaker: Mayor Katz.

(Inaudible)

Mayor Katz: Councillor Gerbasi just answered the question. I think I'll just sit down. (laughter)

Mr. Speaker, I think with the regional roads which I think was something important to us, I'm not sure, without us coming up with a lot more detail, that we're going to basically fit all the criteria for Building Canada Funds. I'm not sure whether it's just the Provincial because the Federal Government is also part of that and anything we put in there has to qualify. We may need more details because when you do Building Canada Funds, it has to be specific. I think the realities are the one thing I am prepared to share with Councillor Wyatt as well as the rest of Council, there is absolutely no doubt in my mind that the list that we put out there, all those projects will definitely not be on Building Canada Funds. I can tell you one of the reasons is because the number for Plessis Road I'm sure will be higher and we'll be using up more money. There's just not enough money in there to go around as well as, you know, getting support for all the projects. As you know with Building Canada Funds, it takes all three levels of government to agree because all three levels of government contribute one-third of that amount of money. So I can't give you any reason for why, when you asked the

question is the Premier not supportive. I don't know if that's the real issue. I think there are other issues when it comes to regional streets, to be very frank with you.

Councillor Wyatt: Thank you.

Mr. Speaker: Next question?

Councillor Wyatt: Thank you. The great thing about it, there's a list of a number of projects, so I'll ask a question on another item on the list you referred to earlier, and that is the community clubs. It calls for $10 million more to go into the community club investment fund to support renewal of community clubs. What does the Premier have against renewing community clubs? Why is he refusing to support $10 million towards going to community clubs in this City and letting this announcement happen today? Why is he opposed to community clubs and doesn't allow this to happen?

Mayor Katz: Mr. Speaker, through you to Councillor Wyatt, the issue he just brought up I think is extremely important to all members of Council here. We know the state of our community centres. That is something that I am definitely 100% supportive of and I feel that's something that's worthwhile fighting for. I think sometimes you've got to fight for things. They just don't get handed to you. That is something that I have not given up on at this stage of the game. I don't want anybody to think it's easy. Once again it's a matter of how much money is in the pot and what's going to go out there. I mean, I can tell Councillor Wyatt that if we can get Plessis Road done for $50 million, I can assure you there'll be money for community clubs. I'm not sure what that number is. You know, we're dealing with the situation, Mr. Speaker, and this is part of the problem. When you start this project a year and a half ago and you're going with numbers that could be two years old, we all know how they change and we're trying to solidify what the number is and what's really left over Mr. Speaker, but I would concur with Councillor Wyatt, community centres are extremely important and we need more money in that fund. No if, buts, or maybes from my point of view.

Mr. Speaker: No further questions for the Mayor? One last one from Councillor Wyatt.

Mayor Katz. Oh, round two.

Mr. Speaker: Round two.

Councillor Wyatt: The announcement earlier this month regarding the nutrient decision by the Provincial Government. Could you elaborate on exactly what the Provincial Government has said in terms of nutrient removal? Have we had a victory, have we not? There is a need for clarification there in terms of that, in terms of what is the…for nutrient removal now, in terms of our treatment plants, we were talking about 1.8 billion having to be spent over so many years to upgrade plants and part of that was 350 million related to nutrient removal. Is that now definitely not being required or is there…we read about it in the papers but I wanted to hear a confirmation or not.

Mr. Speaker: Mayor Katz.

Mayor Katz: The answer is a definite maybe, Mr. Speaker. You know Mr. Speaker, I appreciate the question from Councillor Wyatt and I want to share this with him and the rest of Council. The day that announcement was made, the media came and I had a scrum with them, and it was the media and here is the question they asked me. "How do you feel about winning the battle?" That was the question, okay. Because they were convinced that nitrogen was off the table and my comment was that this wasn't a matter of winning the battle. It was a matter of doing the right thing. That's what this is all about. As it turned out, that was anything but the case, okay. Although there is scientific evidence…listen. We all know what the issue is. It's phosphorous. We all care about our lakes, okay. Phosphorous is the issue and everybody is supportive of that. But, when it comes to nitrogen, you know, as I've mentioned before, the scientific community basically says that nitrogen removal is a waste of money and on top of that it could do more harm to the lakes, and I can tell you right now, Mr. Speaker as we sit, what the Province is actually saying, you don't have to remove the nitrogen now, but you may have to remove it later, so you have to build the plant so you can remove it later. It's basically saying, Mr. Speaker, and I used this analogy yesterday I think on CJOB, it's like saying you don't have to turn on the air conditioning in your house, but you have to install the air conditioning. It has to be there which once again is just a waste of money, and you know, I went on the record basically saying that I'm not doing it. As the Mayor I'm not going to do something that is wrong. Because if someone orders you to do something that's wrong, Mr. Speaker, you have to stand up and say no I'm not taking your order. I'm going to do the right thing, and whatever the consequences are, they are. Someone alluded earlier, and it might have been Councillor Swandel, because I was asked the question, well if you don't go, you know, you could go to jail. Will you go to jail and I said absolutely I'll go. The principle to me is extremely important. This is wrong. And why they're doing this I don't know, but once again there is a time you have to stand up and be counted, and I'm going to stand up and fight for this issue because I very much believe it's not what I think. It's not what the Minister thinks. It's what the scientific community says, these are the experts, and they have

spoken loud and clear. And I think it's extremely unfortunate that the media…this is the second time after an announcement by the Province, the media got the impression that nitrogen removal was off the table. The media also got the impression that we were getting 1% of the P.S.T., so you can see, you've got to be very careful of how you interpret what's said. I think it's unfortunate but those are realities Mr. Speaker. And I hope that addresses the Councillor's question.

Councillor Wyatt: Thank you for clarifying that Mr. Mayor. I guess the question is then is have we given instructions then, based on the fact that the…you know we have this vague commitment from the Province if you want to call it that. Have we given instructions to the Water and Waste Department to look at changing its approach and where it's going in terms of construction? Have we formally indicated to Water and Waste, look, you can now change your scope and your specs in terms of design and construction of these treatment plants?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, I can tell you that we have…I've asked the CAO to communicate with the Department and actually get us numbers for the different options that might be out there so that we can actually assess what the numbers are and what the differences are and then move forward from there.

Mr. Speaker: Third question.

Councillor Wyatt: I imagine that would be coming back to Council in terms of approvals, but the other question I have, the Clean Environment Commission has clearly recommended a number of recommendations when Terry Duguid was the Chair and made that famous report. But one of the recommendations was very clear that there should be three levels of government supporting any changes, funding any changes in terms of this. What has the Province done to assist the City of Winnipeg in securing the other two levels of government including themselves?

Mayor Katz: Mr. Speaker, I believe what Councillor Wyatt is referring to is that the costs should be shared one-third, one-third, one-third. I can tell you to date, Mr. Speaker, my understanding is that of the monies that we've expended to date, that the Province has paid their one-third share. I mean monies that we're looking to expend, and I don't think you could ask for the money up front. When it comes to the Federal Government, I don't believe we have a one-third commitment. I can verify that but my understanding is that they are not there for the one-third. I'm sure what they would say is if you want to do that, no problem there is always Building Canada Funds okay. So my understanding is that's not there right now from the Federal Government. They had made a contribution but I don't believe it's one-third.

Mr. Speaker: Any further questions for the Mayor? Councillor Havixbeck.

Councillor Havixbeck: Thank you. We have a flood going on in Manitoba and it has caused devastation, loss, loss of property, loss of income. My question is, in the last two months, about 700 City of Winnipeg workers were deployed to the flood. This has resulted for me, in Charleswood-Tuxedo, complaints about roads that haven't been grated properly. People literally cannot leave their driveways. Complaints about grass, and I think that's been city-wide grass cutting, weeding, mosquito spraying not happening yet. My question is what, if any compensation from the Province, will the City be given for those 700 workers that were sent to work on the flood for the month or so, and does the Mayor have any knowledge of that.

Mr. Speaker: Mayor Katz.

Mayor Katz: Yes, I do have knowledge Mr. Speaker, and I'm happy to share it with the Councillor. Several other Councillors have asked that question. Councillor Wyatt and I have spoken on the issue many times. Mr. Speaker here are the facts. A state of emergency was declared. Basically the Brandon and Portage la Prairie area, I think. We all know what took place there. And there was a request that came in from the Province regarding providing sandbags. In addition to that they needed more and we started to ramp up, and the decision was made to help in the state of emergency. I can tell you that I made it very clear through the media, that when the state of emergency came up and we agreed to provide help, that when it came to painting lines on the road, that would be delayed. When it came to park maintenance that would be delayed and grass cutting. They were all going to suffer for that period of time. And Mr. Speaker, I can tell you that in my opinion, if you're talking about someone losing a home or delaying that for a period of time, I think we would all do the same thing, so we did step up to the plate and we provided the services that were required and the number is approximately 700, and you know, we have some sandbags we turned over to them. We had to make other sandbags and they used the other resources they required. I think we were obviously reimbursed for our out-of-pocket expenses. The facts are, you know, I would expect to get a letter in the near future, thank you very much City of Winnipeg. I haven't received that but if the Councillor is asking me are we getting dollars and cents for that? No, we're getting reimbursed for doing what we did, you know, for the sandbags that we provided etc. etc., but we're not

making any profit on this and yes, I know that many Councillors did get phone calls and that's just the reality, but as I say, you know, someone losing their home which is usually your greatest possession you ever have in your lifetime, all your memories, it's basically your life verses a delay in grass cutting, park maintenance and painting lines, I think it's the right thing to do and if I had to do it over again, I would do the same thing Mr. Speaker.

Mr. Speaker: Thank you. That concludes Question Period. I guess we will…we have four Standing Committee reports to go through so we'll adjourn till 1:30.

Reconvened meeting of
Winnipeg City Council of
June 22, 2011, at 1:30 p.m.

Mr. Speaker: Okay, we'll call our Meeting back to order. We completed the EPC Mayor's Agenda. Next on our schedule today is the Standing Policy Committee for Infrastructure Renewal and Public Works.

REPORT OF THE
STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
DATED MAY 31, 2011

Mr. Speaker: We have Motions 1 through 6. Stand down Councillor, five. Any other?

Councillor Vandal: I'll move one to six as consent items.

Mr. Speaker: We're standing down five. Let's…one through five, all those in favour? I'm sorry. One through four and six, yes. All those in favour? Opposed? Carried.

Item 5 – Traffic Regulations for the Chief Peguis Trail Extension
between Henderson Highway and Lagimodiere Boulevard

Councillor Vandal: This is as the Clerk said traffic regulations for Chief Peguis and I'll wait to see what the concerns are by Councillor Eadie.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. I just…I'll be voting in favour of this motion but I just wanted to report, but I…I'm concerned though, I note that in here, that we're creating a 24 hour truck route between Springfield and the new Chief Peguis Trail along Gateway. It's a section that's I'm quite familiar with and have walked it. I have a friend that lives on Taunus, that's one of the streets that interfaces with Gateway at that point, and so I just had some concerns. I realized that the people who live in the neighbourhoods, whose streets come on to Gateway at that point, do have an option, I believe, to go over to Springfield road. But I'm just…I was just concerned and I…it probably would've been best to come to Public Works but I didn't realize this was there, but I'm concerned that proper consultation was done with a very small community that has streets that come off there. There's a lot…there probably will be a lot of noise but getting on and off of Gateway at that point might be quite difficult.

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. I'm not sure if the Chair of the Committee is aware but again being my Ward and I am intimately familiar with the details on this particular project here. That the homes in Peppertree Corner subdivision that the Councillor Eadie is bringing up for full disclosure, I live in that suburb as well but the homes along Robert Cartwright, Jim Smith, Taunus and some of the homes that are backing on from…one of the street names I'm missing here. But the comments here are noise levels on Robert Cartwright as well as Taunus and other streets will be well below the levels that warrant attenuation on opening date and 20 years in the future. In fact, Gateway Road is not expected to every carry volumes that would warrant sound attenuation. Generally only high speed roadways can generate enough noise to warrant attenuation. For comparison McPhillips Street, south of Garden City has lots that are nearing the warrant but there are six lanes of traffic and McPhillips carries four times the amount of traffic that Gateway ever will carry. Levels measured in the rear yards will be comparable to similar developments that back on to major collectors/ minor arterial streets such as Kildonan Meadows that backs on to Plessis Road or Eaglemere which backs on to Molson Street. Levels experienced on Robert Cartwright will be considerably lower than those along the south side of the development. They are currently exposed to approximately 1,000 trucks a day on Springfield Road. Follow up measurements of noise levels along Robert Cartwright can be included when required monitoring is done anytime or through requests of the resident. So again, they will continue monitoring it when you look at the big difference between

Chief Peguis Trail, speed limits are on opening day expected to be 80 kilometers an hour, Gateway Road, it's not going to be more than 60 as it is currently.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: I don't think there is anything more I can say to that issue obviously. Councillor Browaty is well aware of his neighbourhoods and the issues that may or may not become reality, so I'll stand down (inaudible) item.

Mr. Speaker: All those in favour of Item 5? Opposed? Motion carried. And Councillor Vandal we have some by-laws?

(inaudible)

Oh I'm sorry. Yeah.

REPORT OF THE
STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
DATED JUNE 13, 2011

Item 1 – Establishment of a New Winter Parking Policy

Councillor Vandal: Item 1, Establishment of a New Winter Parking Policy.

Councillor Swandel: Item 1.

Mr. Speaker: Stand down Item 1.

Clerk: Item No.1, Establishment of a New Winter Parking Policy.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. This is something that was referred to the Administration, believe it or not in July of 2006, to develop a more effective residential overnight parking policy to meet the needs of our citizens. I'll wait to see what the concern is from Councillor Swandel and respond.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. Two quick things I want to bring up on this one is, over the winter last winter I had the opportunity to participate in the event in the Exchange District. Many people at the event stayed overnight. It was sort of a retreat kind of thing. I didn't. I went home but those who stayed overnight parked on Bannatyne and McDermot in the Exchange District which are snow routes I guess, were ticketed even though there was no snow. I don't see any comment in here about the issues that happened in the downtown and specifically, in areas they may be making decisions to leave their cars as opposed to driving them. I could see that when snow's falling that makes sense to not have those cars there. I don't know if there's a way to do this and make sense, but to look at the downtown in particular, in particular the Exchange District sort of entertainment areas, we were talking about a sports hospitality in the Entertainment District, you know down off of Portage Avenue and over towards the Convention Centre as well and then NHL team coming and even just with the Moose being here. They have a lot of people parking on the street in many of those streets are considered snow routes and I'm sure we all agree that we don't want people getting into their cars if they decided to have a one drink too many at a hockey game. So I just would like to get some comment on that. The other piece is the $250,000 out of this year's snow clearing allotment, we see already we know how much snow we had from January to March or April. We're predicting we're going to be about $10 million over budget. It looks like there's some efficiencies that come with snow clearing with this but it may reduce that 10 million doing this and then find the $250,000 but I think we need to be cognizant that we…it looks like we're going to be quite a bit over budget and according to this, this is the allocation. Hopefully, we'll balance up but maybe just to hear some commentary from the chair on that as well.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Yes, thank you, Speaker Nordman. And this parking plan for winter snow clearing sounds actually…sounds much better than what we have so I definitely support this particular report. It will, of course, as any system in dealing with trying to be able to plow the snow may not…there is no such thing I think as perfection but we can try. So this sounds really good in the residential areas as…it sounds like it will work just like mosquitoes will know

when we're moving in to move snow in the residential areas and that will probably save me and my office a lot of phone calls in regard to parking and moving of snow. However, I would just mention as well on this, that while this will cover off the issue around parking and snow clearing, I think that some other policy dynamics in regard to removing snow from our city streets and sidewalks needs to be done and I just wanted to note that but this parking through the residential area sounds like it will work pretty good and they even got a specific to deal with the Wolseley area which sounds like it has a different kind of need. So kudos to whoever came up with the plan and hopefully whatever spins out of on the other side works out and you know what, you always have to educate drivers. I know it's 250,000 but you know, we should learn our lessons. Make sure that the people who are using their cars understand what's going on because if they don't we know there will be a big loud voice crying foul and so on. So thanks.

Mr. Speaker: Councillor Gerbasi.

Councillor Gerbasi: I just wanted to make one comment that…I think this is going to be a big benefit for many densely populated areas where there is a real shortage of parking for people in apartments and downtown living and some of the shoulder neighbourhoods in the downtown in particular, Osborne village, downtown and other areas where it won't be the…it won't be…the parking will be gone for three or four days straight. It will be 12 hours and you can find out where your area is and also, every second street being plowed will allow people to have other opportunity to park so I just wanted to say I'm really pleased about that. My office spends a lot of time on that issue and I think it's a…there's some definite improvements here. There's always more to be done but there's some definite improvements. Thank you.

Mr. Speaker: No further comments? Councillor Vandal, would you like to close?

Councillor Vandal: Thank you, Mr. Speaker. One of the primary benefits and I think the most important benefit of this whole policy and it's written on page two is that it allow our snow clearers to target particular areas and specific streets on a 12 hour period for snow clearing. This will place parking restrictions on identified snow clearing zones for 12 hours rather than the entire city for several days. So you will know which zones are going to get cleared well in advance either by calling 311 or by calling or by checking the web site. Having said all that, the snow routes are still in place and if there is an annual snow route parking ban as there are on several locations throughout the city, you're still not going to be allowed to park there but I think the real benefit here will be more into the temporary bans and the residential overnight parking bans where you're going to know which residential streets are going to get cleared and yes you will be able to park there and as opposed to just doing a blanket residential ban all over the city. So my advice would be if it's an annual snow route parking ban, don't park there because you will get towed and I think everything else other than that will be subject to notification through 311 or through the internet. So I hope that's…it's certainly more focused, more precise and will be more efficient. The whole purpose here is to spend less resources, less gas, less labour in clearing our streets when the snow does come and as far the $250,000, that is something that the Administration felt strongly about wanting to go out and make sure that the public realizes that these changes are going to occur because as we know change is difficult when change happens some people inevitably don't read the newspapers, don't listen to the radio, don't log on to the internet, and fall between the cracks and they're the ones that call City Hall complaining. So there is going to be a lead up, several months before the snowfalls, advertising the changes that are coming. So in terms of how that melds with the bigger budget, I mean we're going to find out from the Administration where that's at in due course and if the snow needs to be cleared we know that it's going to get done and that's a problem that we're going to identify and solve through the regular budget process. Thank you.

Mr. Speaker: No further comments? All those in favour? Opposed? Carried. Now we have by-laws.

**STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
CONSIDERATION OF BY-LAWS**

Councillor Vandal: I'll move that by-law No. 74/2011, By-law No., sorry 74/2011, 75/2011, By-law 76/2011, By-law No. 79/2011 and By-law No. 80/2011 be read a first time.

Mr. Speaker: All those in favour? Contrary? Carried.

Clerk: By-laws numbered 74/2011, 75/2011, 76/2011, 79/2011 and 80/2011.

Councillor Vandal: I will move by-laws numbered 74/2011, to 76/2011 both inclusive, 79/2011 and 80/2011 be read a second time.

Mr. Speaker: All in favour? Contrary? Carried.

Clerk: By-laws numbered 74/2011 to 76/2011 both inclusive, 79/2011 and 80/2011.

Councillor Vandal: I will move that the rules be suspended and by-laws 74/2011 to 76/2011 both inclusive, 79/2011 and 80/2011 be read a third time and that same be passed and ordered to be signed and sealed.

Mr. Speaker: All those in favour? Contrary? Carried.

STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
QUESTION PERIOD

Mr. Speaker: Question period for Infrastructure Public Works. Councillor Wyatt.

Councillor Wyatt: Thank you. Mr. Speaker, in the last month it's come to my attention that, according to a senior administrator I was talking to, that there was a cut in terms of…to the Parks and Open Spaces Division, about $450,000 in the last Operating Budget approval for this year, and that this has had an impact in terms of budget cycles, or sorry, park maintenance cycles specifically community parks maintenance cycle has been reduced from 10 day to 14 day cycle, neighbourhood parks from 14 to 17 day cycles and that boulevards have suffered the same fate depending on the category of boulevard. I'm wondering if it's possible for the Chair, the senior administration, the Director has indicated that efficiencies were looked at but it has not responded specifically to what is the cycle today in terms of park maintenance. Would it be possible if the Chair could…I realize you wouldn't have the information now…but if you could look into this and then report back in terms of what the cycle was last year for these maintenance parks and boulevards and what is the fact this year?

Councillor Vandal: Thank you Mr. Speaker. This is news to me first of all. I absolutely will check it out with the Director of Public Works and get back to Councillor Wyatt as soon as I can.

Mr. Speaker: Second question? No? No further questions for Public Works and Infrastructure Renewal? Seeing none, we'll move on to the report from the Standing Policy Committee for Downtown Development Heritage and Riverbank Management. Councillor Swandel.

REPORT OF THE STANDING POLICY COMMITTEE ON
DOWNTOWN DEVELOPMENT, HERITAGE AND RIVERBANK MANAGEMENT
DATED MAY 31, 2011

Councillor Swandel: I'll move the report and move adoption of the Consent Agenda Item 1.

Mr. Speaker: All those in favour? Opposed? Carried. No by-laws? Do we have any questions for Downtown? Seeing none. Okay, we'll move onto the Report for Standing Policy Committee for Property and Development, June 7th. Councillor Browaty. It's not on here. Oh, okay it's on the screen. There's no committee for Finance so. Questions for Finance? (Laughter)

STANDING POLICY COMMITTEE ON FINANCE
QUESTION PERIOD

Mr. Speaker: Councillor Swandel.

Councillor Swandel: It was unfortunate that Councillor Fielding spoke after I…or I had to speak after Councillor Fielding spoke this morning when we talk about the debt strategies so I just want to use this opportunity to ask the Councillor through you, Mr. Speaker, for a little bit more information, perhaps some of it he can bring to us in the future. Given that the debt strategy makes reference to operating budgets assessment basis and other financial measures for cities across Canada but does not indicate a baselines overall relative to Winnipeg, can the Chair of Finance provide that information to Council?

Councillor Fielding: I could take that under advisement and get back to Councillor Swandel.

Mr. Speaker: Second question?

Councillor Swandel: It's troubling to see that the high debt levels for Alberta cities get strong bond ratings and better infrastructure. We see that in this report when you look at it. How is that accounted for and what's different for those cities in Alberta than Winnipeg?

Mr. Speaker: Councillor Fielding.

Councillor Fielding: Well in terms of, you know, I don't have the direct answer here for you right now. What I can tell you is this is an important document, the debt strategy that's here. You know, just re-emphasizing some of the points that I made. The reason why we put together a debt strategy is to make sure that we're not impacted in terms of our credit rating, and it's as simple as that. This is something that's reviewed with the bond raters. You know, you could do a comparison if you want. What we can do is have administration pull back their bond ratings because they provide that. I'm assuming it would be a public record to those cities and compare it verses ours, but what I can tell you is working with the bond raters, they're telling us this is the strategy that we need to take forward. This is the amount of money we can spend without having any impact on our credit ratings. They're experts. I'm not a bond rater. I can't give you insight of why they made their decisions but they're clearly saying to us that this is the amount of money that is there to be spent and I think it's important that we take professional advice when we see them. We (inaudible) on an annual basis, and as the plan goes forward as plans change as they normally do, we'll review this on an annual basis. I'm sure that answers your direct question but…

Councillor Swandel: I'm a little concerned with that answer because I've read the bond raters' report the last go around and that is, in fact, not what it says, but hopefully the Chairman can…we can have a debate off-line about that.

My final question Mr. Speaker, when you look at Calgary having a direct debt as a percent of its revenue as 102.9, Edmonton has a direct debt as a percent of its revenue as 76.4% and Winnipeg, sitting at 41.7% but yet those cities seem to have better infrastructure than us and a similar credit rating. I still don't understand the argument, so I'm hoping that you can bring some sort of relativity that allows us to see why Alberta has that and we don't.

Councillor Fielding: Well first of all, I'm the Chair of Finance for the City of Winnipeg. I'm not the Chair of Finance for these other cities. We can get some information for you Councillor Swandel, but I guess what's perfectly clear is I'm not willing, as the City's Chair of Finance, to jeopardize our credit rating. If you are, I guess that's kind of a debatable issue, but I think our citizens, our taxpayers, deserve us to spend infrastructure dollars that makes sense but not spending like drunken sailors. That has been done, I think, in the past. I think we're on a good pathway. I think this is a framework document that we need to follow, and if you're asking my opinion in terms of spending more than what our bond raters are telling us to that could jeopardize. It's like rolling the dice. The proposal to propose spending many more money than our bond raters are suggesting because it would impact our credit rating. Not only would that have an impact in terms of the money that we borrow, but also it would have an impact in terms of our prestige, our credibility as a City. So I'm not willing to risk this and roll the dice on something…a risky strategy like that.

Mr. Speaker: Thank you. Councillor Wyatt.

Councillor Wyatt: Thank you. Not on this issue. In the last year there have been some changes with regards to how national accounting is done in terms of municipalities encouraging full cost accounting specifically in terms of infrastructure and infrastructure deficits, which is a welcome thing. However, the challenge with that of course in terms of our bond rating will be how we are maintaining those assets, or how we're not maintaining them. Specifically in terms of what we're hearing now from our constituents because the weather's nice and people are out and about in the City, the situation with regards to streets and sidewalks, local infrastructure, is there any initiative under way right now, are you planning or contemplating any initiative internally to look at and maybe involving Council to look at a way to take, for example, our liability of residential streets which includes sidewalks, and taking it from where we're funding it now which is around the 10 to 12 million dollar range, you know, from now until the next five years to project in our budget to trying to get that liability fully funded namely in the next, over a period of time so that what's been estimated a hundred million dollar plus liability could somehow be addressed. Are there any thoughts in terms of that from the Chair? And if he wants to take it under advisement and get back that's fine, too.

Councillor Fielding: Sure I will take it under advisement. We are in the initial stages of setting up our budget process, obviously with the Capital and Operating, so as we move forward we like to kind of start going through that. I can tell you that work goes on all the time in terms of finance, in terms of the background work that needs to be done. The formal process starts a little bit later probably in the fall and some of the background meetings will start, so that's something we can incorporate in terms of our budget documents and our reviews that go forward and I'm all open to looking at different strategies to address the infrastructure deficit and on the local basis you're talking regional local streets, so…

Mr. Speaker: Second question?

Councillor Wyatt: Yes, I appreciate that and is the Chair aware there is non-members of EPC who would be prepared to assist him in that effort to address this challenge as we are facing all of this equally in terms of the concerns from our constituents and rightfully so?

Councillor Fielding: I'm aware of that.

Mr. Speaker: Okay, second go-around? Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. I wasn't going to ask any more questions but the Chair brought up terms like "rolling the dice" and "spending like drunken sailors" when I was trying to get some solid information for us to be making informed decisions here. Let me make it perfectly clear Mr. Speaker that I support a strong bond rating. I don't even want to hold where we are right now. I think we can do with a complete asset management strategy or something that gets us to actually a higher bond rating than what we currently ask. I don't want to risk our bond rating. I would like to strengthen it.

I just want to hear clearly from the Chair if he can tell us that he will provide solid information on what the base lines of those other cities are when it comes to assessment base and the other items that are recorded in this document as comparatives? You know a little bit of information without…it's total context makes no sense, and you know when you're saying our assessment base, which by the way, this is a 2008 document that is referring to 2008 assessments, we're now in 2011, so will he commit to getting that accurate information out to us all so we have a better understanding of what this debt strategy means for this City, and how it relates to other cities that we're using as comparatives.

Mr. Speaker: Councillor Fielding.

Councillor Fielding: Just as at my wedding, I'll say I do, I will.

Mr. Speaker: Councillor Swandel. Second question.

Councillor Swandel: Perhaps the good Councillor could also confirm for us today whether or not inflation has been accounted for in the charts and graphs that are in this report today.

Mr. Speaker: Councillor Fielding.

Councillor Fielding: I believe… I'll get back to you Justin. You made your points. I'm going to try and get you your answers. Probably a good strategy might be also to send an email to Mike Ruta. He can probably get you the answers as well as I can, but if you want to send it off to me and I can get you all the information you need.

Councillor Swandel: The final question, can you tell us, given that this is 2006 and 2008 information, when was this report actually prepared? Was this debt strategy available last year, year before, as far back as 2008 or is it just a report that was put together in 2011 that this should be the debt strategy that we're moving forward on?

Councillor Fielding: Well clearly the report was tabled in the last few weeks.

Mr. Speaker: Any further questions for Finance? Seeing none. We'll move onto Property and Development, Councillor Browaty.

REPORT OF THE
STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT
DATED JUNE 7, 2011

Councillor Browaty: Thank you very much, Mr. Speaker. I'd like to introduce the Report of June 7th and move adoption of the Consent Agenda Items 1 to 16.

Councillor Eadie: Sixteen, please.

Mr. Speaker: Stand down 16. No other issues? All right. We will vote on 1 through 15. All those in favour? Opposed? Carried.

Item 16 – Expropriation of Land for the Chief Peguis Trail Extension Project

Mr. Speaker: Councillor Browaty.

Councilor Browaty: I'd love to hear the questions of the Honourable Member and will respond accordingly.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. Through you to the Chairperson on this particular motion or report. While I'm going to be supporting this report, it raises the issue of…there is a cost or value associated with land that is used for…and this is…in this case, this land is being used for regional purposes I believe although it will be found in a Ward specific area. The land in that is expropriated or the land that the city owns again does have a value and as I was considering this report I was reminded of the…and I wasn't a City Councillor when all the contractual agreements were put together for the Chief Peguis Trail. I'm just concerned that the city did own a bunch of land which they transferred over to a private company so that they could build a road that we would lease back and I'm just…I ask myself did we get the appropriate value for land in passing that over…that land over to them, so that they could lease it back to us, of course improved with a good regional road. And so again, I will…I guess I'll support then. It's never an easy thing to expropriate land. I understand the land, it's…well, land is speculative although a little less speculative than what the value of a house is or that kind of thing but…so I just thought I'd put those issues out on the floor. Thank you.

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much. The particular take in question here actually is that the northwest corner of Grassie and Lagimodiere, it's actually Grassie and Ham Street. It's technically in the Transcona Ward. It's not part of the continuous lands that are part of the Chief Peguis Trail. What's happening with the Chief Peguis Trail expansion is that for southbound traffic at Lagimodiere and Grassie, currently there is one left hand turn lane to make a westbound turn. What they're going to be able to do now, what they are doing in fact is widening that intersection out to actually make a two lane turn. Today in the p.m. rush hour as anybody who travels through northeast Winnipeg is aware, traffic often backs up the Grassie Boulevard up to the Concordia overpass and in fact, traffic flows very poorly in there. What will happen with this particular double turn lane is the flashing arrow to make that turn, that left hand turn for southbound traffic to make a eastbound turn on to Grassie that arrow can be shorter so that the green solid arrow from northbound traffic can actually stay on longer. Regarding the Councillor's, so again this is just a frontage, it's about 1300 square feet of frontage on this one particular residential lot on Grassie Boulevard. In regards to the question about, are we getting appropriate value, as far as I'm aware, I'm quite concerned about this. None of the titles are changing hands and in 30 years when the Chief Peguis Trail is surrendered back to the City, it will be in pristine, immaculate condition and we're to be…we'll have a very valuable asset throughout the next 30 years as well as 30 years from now. It will be maintained to a pristine condition and we get the benefit from it. So again it is still in the public domain in terms of its ownership. We do have a private partner that's involved in its maintenance over the next 30 years and it's going to be maintained very, very well.

Mr. Speaker: No further comments on No. 16? Seeing none, all those in favour? Opposed? Carried. No motions or by-law for Property and Development. We have some by-laws, Councillor Browaty.

STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT
CONSIDERATION OF BY-LAWS

Councillor Browaty: I'd like to move that the following by-laws be read a first time. By-law 77/2010, By-law 78/2011.

Mr. Speaker: All those in favour? Contrary? Carried.

Clerk: By-law No. 77/2011 and 78/2011.

Councillor Browaty: I move that by-laws numbered 77/2011 and 78/2011 be read a second time.

Mr. Speaker: All those in favour? Contrary? Carried.

Clerk: By-laws numbered 77/2011 and 78/2011.

Councillor Browaty: I move that the rule be suspended and by-laws numbered 77/2011 and 78/2011 be read a third time and that the same be passed and ordered to be signed and sealed.

Mr. Speaker: All in favour? Contrary? Carried. Question period for Property and Development. Seeing none, we will move forward. Standing Committee for Protection and Community Services, Councillor Steeves.

**REPORT OF THE
STANDING POLICY COMMITTEE ON PROTECTION AND COMMUNITY SERVICES
DATED MAY 30, 2011**

Councillor Steeves: Thank you, Mr. Speaker. Regarding the Report of May 30th, 2011, I'll introduce the report, move adoption of Consent Agenda Items 1 to 4.

Mr. Speaker: All those in favour? Opposed? Carried. No motions? No by-laws. Question Period for Community Services and. Protection. Any questions? Seeing none.

**REPORT OF THE GOVERNANCE COMMITTEE OF COUNCIL
DATED JUNE 13, 2011**

We'll conclude with just the report from Governance and I know I'm in the chair here but the particular issue has been laid over for 60 days so no action required. Good Council Meeting. I'll accept the move to adjourn. Councillor Eadie. Call the question. All those in favour? Opposed? Carried. Roll call.

ROLL CALL

Clerk: Mr. Speaker Councillor Nordman, Councillors Browaty, Eadie, Fielding, Gerbasi, Havixbeck, Orlikow, Pagtakhan, Sharma, Smith, Steen, Steeves, Vandal, Wyatt and His Worship Mayor Katz.

Council adjourned at 2:05 p.m.