COUNCIL OF THE CITY OF WINNIPEG
Tuesday, December 13, 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 Havixbeck.

ROLL CALL

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

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: Notice of calling the Meeting as read, please.

Pursuant to section 79(1) of the City of Winnipeg Charter, the City Clerk was directed by His Worship Mayor Katz to arrange a Special Meeting of Council this day, ***Tuesday, December 13th, 2011, at 9:30 a.m.*** *to consider the 2012 Capital Budget and the 2013 to 2017 Five Year Capital Forecast.*

Mr. Speaker: Thank you. We'd like to welcome everyone. At this time, we would invite Mayor Katz to perform a special task, so Your Worship.

The Speaker called upon His Worship Mayor Katz to bring Brian Mayes to the floor of Council to be sworn in by the City Clerk as the newly elected Councillor representing the St. Vital Ward.

City Clerk: Please repeat after me.

Brian Mayes: I, Brian Mayes, solemnly promise and declare that I will truly, faithfully and impartially to the best of my knowledge and ability execute the office to which I have been elected and that I have not received and will not receive any payment or award or the promise of payment or award for the exercise of partiality, corruption or other improper execution of the office. And I make this solemn declaration conscientiously, believing it to be true and knowing that it is of the same force and effect as if made under oath by virtue of the Canada Evidence Act.

(Applause).

Mr. Speaker: Welcome, Councillor Mayes. I understand you have a few comments you'd like to make?

Councillor Mayes: Yes, and I was told say some nice things about people, so I will say, I think people sent me here with a message and various people of various offices here have said this is not the time to send that message so I will, indeed, reserve my comments to some of the people in the room and some others who I know. I've spent nine weeks going door to door in St. Vital, which was this wonderful, fascinating, exhausting and exhilarating experience and I usually said something like, "Hi, I'm Brian Mayes. I'm running for City Council. I grew up in St. Vital. I live here now." And then, you know, you talk to the people inside after you knock on their doors. So, it was a wonderful experience to do that, and I want to thank so much my wife and my sons who are here today and my mother and my sister, all of whom helped so much on this effort, and I have friends from the labour community here, from the business community, from the legal community, people I've known for 40 years, people I've just known for a couple of years, all of whom helped so much on that effort and I wanted to indicate my appreciation for them. I wanted to say a couple of nice things about the other people who ran for City Council, as it was a field of ten, I will restrict my remarks to only two of those people otherwise we'll be here for half an hour with me talking about everybody in that race. Mike Ducharme, who I've known for a while and who finished second, have served the community for nine years as a school trustee and as an ex-trustee and we've got a couple of ex-trustees here I know. I have a lot of time for school trustees and I enjoyed that office and I have a lot of respect for Mike for having done that and the other candidate I wanted to talk about, Mr. Speaker, was your brother, and my wife, clearly, is an excellent judge of character and men, and after meeting your brother and after having the debate she said to me that guy is a real gentleman and I agreed with that and I know she meant that, so I hope that you would pass that along in lieu of me buying the drink that I had made as a bet against him I think during the campaign. But he was…I enjoyed dealing with your brother throughout. There is somebody here who I also wanted to mention, somebody who isn't here, that's my father who died almost ten years ago to the day from today, so I'm…well, there's the tradition… Paul Martin had his father's flag and Jack Layton, I think wears his father's parliamentary pin so I have my father's cuff links on today as a tribute to my father, who would've just really, really been so pleased with this,

because he lived much of his life in St. Vital and valued that community, so I wanted to salute my father today as well. I would also be remiss if I didn't say a few words about my predecessor in this office, the lion of Parkville Bay, Gord Steeves, who dominated municipal politics for about ten years in St. Vital and has been very decent to me both before the election and after the election, said some things, said to me before the election, “You know. I don't know if I've been right or wrong, but I've busted my hump for 11 years down there”, and I think he did and I think St. Vital benefited from the work he put in. I met him again last week and he said, he probably wouldn't want me to say he sounded eloquent but he did sound eloquent, because he said, “Remember, Brian, these are the people who raised us in St. Vital”, so I take that remark very seriously and I appreciate him meeting with me. During the campaign people would sometimes say, “Well, you know, sort of how connected to St. Vital are you and I had this fine word I said, “Well, my mom taught Gord Steeves’ brother and my sister went to school with Teresa Oswald's brother and it always seemed to convince people that I was a true St. Vitaler. So I didn't want to salute my predecessor here and then, he did a lot of hard work and I'm aware of that and I want to keep that tradition so hopefully if I'm here in 11 years and when I'm leaving, people will say I didn’t’ always politics and I said that to Gord but I did appreciate his hard work. So as I would try to wrap up Mr. Speaker, by saying, one of the things I did this summer was I went to see U2, and when I was growing up in the 70s and 60s in St. Vital, Winnipeg didn't really get the big bands, so I think it's something of a tribute to Mr. Mayor and all of you, that the big bands now come and play Winnipeg. It's a big city now and the Mayor was saying last night you know, I've never seen the city on fire like this and I think that's true and I think at least some of the credit has to go to the people around the table for that. So I went to see U2 and during the campaign we made a lot of the fact that I'm a distance runner and I was saying on the election night, there was one point where we’re standing all fours in this apartment building jamming this leaflet under somebody's door so it occurred to me on election night that I could use the line from U2, “I have run, I have crawled and together with my sport as we have scaled these city walls” which is a U2 line and when else are you going to get the chance to use that line frankly other than running for City Council? But the next line in the song or the title of the song is "I still haven't found what I'm looking for" so I want to assure that people of St. Vital in Winnipeg, I haven't found everything I'm looking for. This to me as the Free Press said the day after the election, this is a dream job for me but I want to say I still haven't found what I'm looking for the City for St. Vital, I'm going to keep working on that. I’m going to keep working hard to make this a better city and a better ward and before I came up here I knocked on the door of the Council Chamber. I said, “Mark, take me back down stairs so I could remember to do that. “ That’s sort of a symbol, it’s the last door of the campaign, and you say, you know you knocked on all these doors, I want this to be the last one so I could say to the people inside, “I'm Brian Mayes, I am the City Councillor for St. Vital. I live in St. Vital, I grew up there, I will work hard for the people there and now, Mr. Speaker, let's get down to that work. Thank you.

(Applause).

Mr. Speaker: We do not pay by the word here, so…(Laughter) Welcome, sir. We would think nothing less or less than someone from St. Vital to have a lot to comment on so. Now that we're into the meat of the meeting, we invite our delegations. We have three registered, yes, Councillor Gerbasi.

DELEGATIONS

Councillor Gerbasi: I would like to ask Council to suspend the rules to hear four additional speakers. They are speaking in opposition to the Capital Budget and I've asked that they could have five minutes to speak without any questions as it is our tradition we usually allow a few additional speakers. Thank you.

Mr. Speaker: All right then. We need a two-thirds majority here. All those in favour? Opposed? Motion carried so we will add the four additional speakers. I’m sorry?

Councillor Gerbasi: You have their names.

Mr. Speaker: I have their names. Yes, I do. Thank you. And they will each get five minutes but no questions at the completion of the first three who are registered delegations. First registered delegation, Mr. Terry Wachniak in support of Item 1, if he came here earlier and did not see him, Mr. Wachniak is not here. All right. Well, we just saved 10 minutes there. Our second delegation, speaking in opposition to Item 1, Mr. Christopher Leo. Anybody there Terry? No. I guess things are busy at the university this morning. I just have to ask the Clerk something if the second person here was going to have five minutes, they can have ten. Okay. Arlene Jones, are you with us today? Okay. That's great.

Arlene Draffin Jones: Good morning. My name is Arlene Draffin Jones and I am the president of the Council of Women of Winnipeg. Before I…I hope you had a copy, we had a short presentation but I just have to say something. It was wonderful to be here this morning and hear the induction of Brian Mayes. It's a great example of what we can do here at the City Hall. I'm really, really delighted to be here. Thank you for allowing us to come and present our concerns. I am speaking on behalf of the Council of Women of Winnipeg. Some of you know us, I'm sure. We've been around since

1894. Not me, but the rest of them. We're actually speaking in opposition to a portion of the Capital Budget, which has been presented today. The Council of Women of Winnipeg is a non-partisan federation of Winnipeg organizations and individuals that has, for the last 117 years, been championing for citizens to have a say in the issues that impact our lives on a daily basis. We supported and will continue to support policies such as the development of playground areas, city-wide library services and recreation centres and many other city-wide improvements. The Council appreciates that previous City Councillors after due process, research, discussion and input from the community, implemented these kinds of recommendations. Unfortunately, it appears sometimes that democracy in Winnipeg can't be taken for granted. And that's why we're speaking. The current capital budget being presented includes a transit user fee which has not been discussed at community level, where groups and individuals have the opportunity to respond. We believe that this denies citizen input and shuts out those who are dependent on our elective representatives to provide a fair, open and democratic process.

Mr. Speaker: Excuse me Arlene, just to be fair on this issue. If you're going to speak towards a specific fee, transit fees are a actually portion of the Operating Budget, not the Capital Budget.

Arlene Draffin Jones Yes. But it is listed in the Capital Budget. We have that copy and there is nothing listed in there, so we would like to see that it does be included.

Mr. Speaker: Well, I will caution your comments that we certainly invite you to come back to the Operating Budget in the new year which are part of the…again, transit fees are part of the Operating Budget so.

Councillor Gerbasi: Point of Order, Mr. Speaker.

Mr. Speaker: Excuse…yes, Councillor.

Councillor Gerbasi: Point of Order? There may be people speaking to the transit fare increase today as part of the Capital Budget because the transit…well, they are not talking specifically about the Motion, they're talking about the idea of using the transit fare increase to pay for the capital cost of transit which is what Council decided and it's not reflected in the budget because it happened so quickly before the budget was printed but it is part of the budget and I would urge Councillors not to badger citizens who are coming forward to make the case about increasing a transit fare to pay for capital costs. We are having a Capital Budget discussion and I think their points are very well taken and we should allow them to be heard and that is my point of order Mr. Speaker.

Councillor Swandel: Point of Order, please.

Mr. Speaker: Yes, Councillor Swandel.

Councillor Swandel: It's inappropriate and certainly contrary to our procedure rules here to use terms like Councillors will be badgering. I don't think anybody is going to do that. I just want to remind everybody that the transit fare increase and what it was going to finance is not in this Capital Budget. I'm certainly more than willing to listen to what people have to say. If we want to spend our time doing that now, we can do that but I would encourage people if you make your comments today not to come back. We will hear it; we will listen to it; we will digest it and bring it forward but let's not keep doing it over and over and over again so.

Mr. Speaker: Fair enough, okay.

Arlene Draffin Jones: Thank you. May I continue with my other comments?

Mr. Speaker: Yes, ma'am. But again, understanding that you know it is an Operating Budget issue so.

Arlene Draffin Jones: I understand that, but most of...

Mr. Speaker: Carry on.

Arlene Draffin Jones: Most of the transportation infrastructure is for the benefit of motorists and yet they are not being charged any user fees or additional taxes to support our capital budget improvements. We just had a suggestion that it might be a good option to finance some of the infrastructure deficit by levies on cars and drivers. For example, the City can, in their budget planning, levy fees on parking spaces and that's the one thing that the City does have the authority to impose. The second concern we had and if it does not fit I am sorry, but we are concerned about a proposal coming before City Council on Wednesday and we will have a delegation speaking to that, about the service sharing agreements with neighbouring municipalities. And we feel that it could have a negative effect on Winnipeg's ability to

finance needed infrastructure improvements, since it boosts exurban residential and industrial improvements at the expense of Winnipeg's tax base. And as well, the move to take decision making out of your hands, I think it endangers the open dialogue that we are just talking about here in this chamber where we all have the right to participate. We respectfully ask that you do look at this revenue sources that you're looking at to support the recommended improvements. We support a shift to taxes related to the use of vehicles as an appropriate and realistic funding option. To meet the needs of the community in a more equitable way and not on the backs of those who are less fortunate. And I am speaking for people who are not able to come here. Many of the folks that live in my community have never been in City Hall and they are frightened to come in. Last time I brought a delegation was the first time many of the people who live on my street had ever entered the doors and I don't want that to continue so I hope that we can offer that opportunity for people to speak because it is a privilege and we do appreciate it. I think it's time for transparency and accountability and meaningful public participation at City Hall, and I know I speak for the Council of Women of Winnipeg, and we represent literally thousands of people in under our organizations in our umbrella. Thank you for this opportunity and I do appreciate being able to speak.

Mr. Speaker: Questions? Seeing none, we thank the Council for sending representation. Now, our additional speakers, delegations, we'll invite Emily Wiebe. You have five minutes, Ms. Wiebe.

Emily Wiebe: Many people who use transit are poor, low income. Many of them are single mothers with kids or disabled who both already have enough they've got to deal with. Are you really going to bar the struggling families, who are commuting public transit? If they could afford a vehicle, they wouldn't be taking transit. Councillor Justin Swandel suggested the transit fees be raised 25 cents extra and the Motion passed in that hours with little notice to transit users. To raise prices means that more young people will have the (inaudible) transportation and therefore they cannot find a viable way to get to and from school and jobs. Two things are better at our society so once again the rich will get richer and the poor are getting poorer, end of their resources. In the spirit of the Occupy movement of putting an end to corporate greed I think we only do our part to keep the human face centre of this issue and say no one hike transit fares. So I'm asking Mayor Sam Katz and Councillor Swandel to find it in their hearts to change their minds. On a related note why are we paying to improve roads that are for wealthy bedroom communities, while raising travel expenses for low income transit users. Furthermore, why pay more for overcrowded buses that take forever to get to our desired destination. Is rapid transit going to relieve this situation? If so, why demand more from people who are really trying to get by. Are you going to bar the struggling single mother from being able to get to and from work because she can no longer afford family expenses and the fare that transit now is demanding? We are living in age in which it's almost impossible to find work. Raising fare is going to make finding employment for more difficult. How is someone who has to find work that won't keep a job because they can't afford transportation? Do we really want to further exasperate a culture that takes the poor gives to the rich? Why not tax anyone who have money for rapid transit who own more than one car rather than poor high transit fares? If you can afford to own two cars that further wreck our environment, then you can afford to pay for it. People argue that provinces like Alberta and B.C. have higher transit fares so we should do. Just to clear up this useless argument, I'll just say that Alberta and B.C. also have a higher cost of living in general and a higher minimum wage. Manitoba is not the richest province in the world. Have you seen how high our homeless population is? Besides why do we want to keep up with those other provinces anyway when it comes to higher prices for public services? It doesn't seem like good enough reason to me, in fact it seems kind of ludicrous. If you really want to keep up with provinces like B.C., we need better roads, more bike lanes and better social programs for those on welfare and we shouldn't be keeping up with higher prices, we should be keeping positive social progress and part of that progress in this case means keeping transit fares where they are now or lower. As we live below the poverty line, I rely heavily on public transit. Once the fare goes up, I will no longer be able to take transit without digging to my grocery money. Some days, I eat nothing because I cannot afford it after paying rent. I'm sure many low income people find themselves in that situation. Transit fare hikes will make this unfortunate circumstance worse. I think that's up to us public transit users to take a stance and say no one hike in transit fares. Let's stand up for ourselves as a marginalized society and say we aren't going to be draining our resources anymore. If anything, transit should be subsidized completely by the government and paid for. In other words, it should be free. You don't pay to use public parks so why pay to public transit. I encourage anyone who's a regular transit user to stand tall and say we aren't going to be pushed around anymore. Enough is enough. Hopefully if enough people heed this call, we can put an end to a hike in transit fares for good. Mahatma Gandhi started a revolution all by himself and managed to get many, many followers to help him save India from the British takeover of their resources. Gandhi himself was not rich but he saved his nation from colonization and greed. We as Winnipeggers can do the same when it comes to high transit fares. History has proved time and again that when a bunch of disenfranchised people get together to stand up for anything they believe in, it's not possible for them to prevail even if they have almost nothing. We as a society created capitalism and greed. We as calm people have the power to create new more gentle economy and equity for all people and in this case I sort of say no to high transit and higher fares on public transit. A wise Edmund Burke said, "A human being has made no greater mistake than the person who does nothing, even if they can only do a little". If we all …to Mr. Burke's work we can do all our and do all our small part but say no to high transit fares then we will have made our voices heard and in doing so have started the revolution much like Gandhi. We must always stand up to issues that matter to us and keep the human face

the centre of all topics that between lives… .marginalized group. Martin Luther King Junior once said, “Our lives begin s to end the day we become silent on things that matter. So let's keep our lives going by standing up to people like Swandel and Katz by saying no to high transit fares. I won't stand for taxing the poor while approving the life of the rich. I won’t stand idly by while things like this go unnoticed. Issues like this matter. The lives of the 99% matter. I won't stand by while the rich get more, the poor get less. I will stand up.

Mr. Speaker: Thank you, Ms. Wiebe. James Beddome. James Beddome?

James Beddome: Right.

Mr. Speaker: Josh Brandon and Mary Anne Cirelli will be speaking next. Five minutes, sir.

James Beddome: Mr. Speaker, your Worship, City Council. Thank you very much for having me here today. So, who can deny that we have an infrastructure deficit here in Winnipeg? And so I have this great idea. I think the Councillor from St. Norbert will really like it. So we need money for our roads, I have a great idea. Let's put a 20-cent toll on Plessis where we’re twinning the road. We can charge 20 cents for every driver that comes through there. Hey, Osborne’s a really expensive project, that bridge. Maybe we can take 265, $2.65 from every driver that goes across the bridge. I don't know if you guys get it but I'm being facetious here. I’m pointing out a clear point of inequity and I will note that now, it's not part of the Capital Budget, but there is a document called New Relationships you guys have up on your City Website and they talk about horizontal and vertical equity, horizontal equity meaning people should be treated equally and fairly, vertical equity meaning that they should be some aspects of progressive taxation so what I'm getting at from that is saying that why do we feel that transit users should have to pay a fare when motorists do not have to pay tolls or fees of other kinds? You can see that there is a clear inequity here in how we're funding our capital projects. I will also note and the previous speaker I think addressed this quite well when we’re talking about principles of taxation that are progressive. Generally speaking, people that are using transit are generally speaking of lower income than people that are driving so clearly there’s an aspect of progressive taxation there. My point being that yes we need to fund our capital projects and that includes roads and that includes rapid transit. There’s no doubt about that but we have to be careful with how we're doing that. Transportation is a lost litre. I'm sure there are members of City Council here who are familiar with the business rule and know what a lost litre is and that's the businesses often, don't expect to make money on selling products but they want to bring people in. Well, it's no different here and if you are a City of Winnipeg, you need to consider taking a lost litre because what that means is if people can get around the city, they can get to factories, they can get to jobs, it's better for employers. It makes them more mobile city. When we have tourists that come to Winnipeg what I’d like to see is free transit. We have tourists that come to Winnipeg, they’d be like, “Wow, what an amazing city. This is the point that I’m trying to raise to you guys and this is one of the reasons that I have a problem with the budget. I don't think that we should be looking at constantly utilizing fares when we are not utilizing tolls to fund out our Capital Budget. I’m going to keep it short and sweet. I see other issues and I’ll be coming back here hopefully tomorrow to talk about you know, the services agreement but what we can see is that what we created a city, a city that's a car city. We have a lower per capita transit ridership rate than other major cities in Canada. We've seen work trips decline and car trips increase and now we're talking about expanding our infrastructure even further out the city which is going to lower our density and make it harder to maintain a sustainable transportation system so I see a lot of problems. Thank you.

Mr. Speaker: Thanks, Mr. Beddome. No questions, sorry. Josh Brandon. You have five minutes.

Josh Brandon: Thanks Speaker, Mayor, Council, thanks for extending the opportunity for me to speak today. Congratulations to Mr. Mayes for being here as well. I'm here representing Green Action Centre. We are a local non-profit environmental organization dedicated to making communities here in Manitoba more sustainable and that's the area that I'm going to speak about with this, the capital plan today. One thing I want to draw attention to just to begin with is that just last month, Councillors here approved a transportation plan for Winnipeg, and the transportation plan had some great strategic goals and I’m not going to read them out because I know I have a short time. But some of the things that it included, it talked about making transportation active, accessible, safe, efficient, financially sustainable, reducing our greenhouse gases, and I'm concerned that this budget does not do those things. It doesn't meet the goals of our transportation plan. I would like to acknowledge there are some positive aspects to the budget. There’s going to be more buses on the road I understand. And there is a small increased, amount of money for active transportation, doesn't go far enough but it is in the right direction. But these improvements have the potential to be drowned by disequilibrium in this budget. There is a disequilibrium between how much revenue we’re getting for auto based transportation cars and trucks And how much we’re going to be spending on those areas in this budget and this disequilibrium leaves the city without enough revenue to pay for core services like rapid transit without turning to unpopular, unjust and unsustainable fare increase that we've heard talked about this morning already. You know, I've heard from Council that they want rapid transit to be paid for by bus riders, but you know, really, rapid transit doesn't just benefit bus riders; it benefits everybody in the city. It reduces congestion, it reduces pollution, and there is an economic impact as well, to having a modern, sustainable, efficient rapid transit system. So, by contrast, the 2012 budget also

proposes $150 million in roads and bridges. That's a 34% increase from 2011, but there's no extra revenues from cars and trucks, motor vehicles to pay for this increase and there hasn't been for years. So even when planning new rapid transit infrastructure, the priority seems to be maintaining subsidies for private vehicles and it's time to get cars and trucks off welfare. Fees for City services, recreation, sewers, water, garbage collection, these all rise to meet increases in inflation and incremental spending, but for motor vehicles, the demand continues to increase, but there is no extra revenues that come for that. And that's really, I think, what is a big part of the infrastructure deficit that we hear about here in the City of Winnipeg. Now, the blame for this deficit, it's not entirely on the shoulders of the City, I mean if you look at the City, at the Provincial Gas Tax, it stayed constant at 11 and a half cents per litre since 1993. Now, there's not many other things that stayed constant in price for almost 20 years. So now the average Canadian driver pays a full 11 cents more in gas taxes than we pay here in Manitoba. Bringing the gas tax in line with the rest of the country would add over a hundred million dollars a year to our infrastructure budget. But, the city can do a lot. We heard earlier that we can look at things like parking rates; we can look at roads and bridge tolls, all sorts of things that are within the realm of the City policy. But just looking at the infrastructure that comes from vehicles, I just wanted to point out that within the budget that I see, there's a couple of line items, the federal gas tax and the provincial transfer for road improvements. These items total 6, no, 393.

Mr. Speaker: Thirty seconds.

Josh Brandon: Sure, $393 million over 6 years. During the same period, we have planned spending of $451 million for roads and bridges and that's a shortfall of $58 million. I suggest that this $58 million difference between roads, revenue and spending should be transferred instead to spending on rapid transit so that road projects are either postponed or funded by a combination of vehicle charges. I do support the amendment that was talked about earlier about a transportation authority being created, and this should be looking at ways of getting cars and trucks off welfare. A sustainable Winnipeg means we all must pay our share including drivers. Thank you.

Mr. Speaker: Thank you, Mr. Brandon. Marianne Cerilli. You have five minutes, ma'am

Marianne Cerilli: Thank you very much. Good morning, everyone. I appreciate the opportunity to make a presentation today on the Capital Budget. I'm here on behalf of the Social Planning Council of Winnipeg, which, for over 90 years has been making recommendations to this Council about how to have a fair, more equitable and sustainable city. My focus today is going to be on the idea of a user-pay system that will charge bus riders to pay for capital projects. And I also would like to, before I start, congratulate Brian Mayes in his victory in St. Vital and welcome him to Council and wish him well. I want to start off by saying as well, that in the many years that I've been paying attention to what's happening at City Hall, this concept of charging bus riders to pay for capital expenditure is one of the most regressive things that we've ever seen. It's going to create way more inequity and disparity and it's something that has never been done in Canada. I want to also compliment the work of Christina Mayes, one of the researchers at the Social Planning Council for doing some research that I want to share with you that shows that what you are proposing in this capital budget has never been done in Canada before and is really taking us in a direction that I don't think we want to go. So no other city would conceive of charging transit users to pay for a capital expense like bus rapid transit. So I want to actually pass out something that maybe the Clerk can help with. So what you are going to see is a comparison of which neighbourhoods in the city are using transit and I want to make the point by looking at the fact that neighbourhoods that are very much lower income like Point Douglas, and Downtown use the bus, 30% of people, approximately almost 30% of people use the bus. But in Fort Garry only 9% of people use the bus. So this idea of having people who rely on the bus, who are often on a very low fixed income, to pay for bus rapid transit, is going to mean that those that are going to pay will never use that bus rapid transit line towards the University. So, it's in a neighbourhood that is not going to benefit and the majority of the people that are going to pay for it will suffer real hardship by having to pay an increased fee which would be dedicated towards bus rapid transit. So it's really, I think happening here as well, is the transit fare increase is really also paying not just for bus rapid transit but it's paying for a tax freeze which is also a commitment that this Executive Policy Committee has made. So, I want to make the…some comparisons to what other cities are doing to pay for a 21st Century public transit system. And one of the main things is that a higher percentage of expenditure and other cities is going to the capital cost of public transit, and to transit systems, rather than it coming from bus fares. So, in Calgary, 47% of capital infrastructure costs go to transit out of its total capital budget. Do you know what the amount is in Winnipeg? 3.8 percent. So, one of the suggestions that's been made with this proposal here in Winnipeg is that there should be more money coming from the Provincial Government. But the other unique thing, even though in Winnipeg our transit fares are quite low in Canada, we get more money from the Provincial Government for transit than other provinces in the country. So, while other provinces are using other mechanisms as well, to pay for transit fares, the provincial government is actually covering more of a cost of public transit in Winnipeg than in other provinces. One of the other things that I really wanted to…let me, just give me a minute. I'm going to see if there's…

Mr. Speaker: We are just about out of time.

Marianne Cerilli: Okay. I'll wrap up then by talking about the effect that this policy will have on the lowest income people in Winnipeg. I'm wondering if people realize the amount of money that people on social assistance get, an individual on social assistance gets for all of their living costs other than rent, so for food, for clothing, for groceries and for transportation, $195 a month. That's the people that are going to be hurt the hardest from this policy. They are not going to be able to find the increased bus fare that you're requiring them to pay. I look back at the cost of a bus pass in Winnipeg in 1986 and it was $28. It jumped to 63 in 2002, 71 in 2008, and it's currently about $75. So this is going to really hurt families, for a youth bus pass, it's $52 currently and I'll remind you that children in Winnipeg, after grade 6, have to take the bus. There is no longer any school bus transportation for children once they hit grade 7 all the way to grade 12.

Mr. Speaker: I'll ask you to wrap up, please.

Marianne Cerilli: So families that are on a fixed income whether they're working at minimum wage or on a social assistance are going to have a very hard time making this work. My last comment will also be on many organizations like the one I work for rely on those blue loonies. We want to make sure that those blue loonies are still going to be able to stretch as far as they do now, that this isn't also going to affect the organizations being able to support community members going to programming because there is an increased fare for the blue loonies.

Mr. Speaker: Thank you, Ms. Cerilli.

Marianne Cerilli: So I appreciate the opportunity to make the presentation.

Mr. Speaker: Thank you. That completes our delegations. At this point we will move to the Report from the Executive Policy Committee of December the 7th and I invite Mayor Worship to introduce the Report.

REPORT OF THE EXECUTIVE POLICY COMMITTEE DATED DECEMBER 7, 2011

Item 1 - 2012 Annual Capital Budget – 2013 to 2017 Five-Year Capital Forecast

Mayor Katz: Thank you. I will very briefly introduce the report and then turn it over to the Chair of Finance, Councillor Scott Fielding. First of all Mr. Speaker, I'd very much like to thank the subcommitee of the Executive Policy that would be Councillors Fielding, Vandal and Havixbeck who worked tirelessly on this Capital Budget, as well as all members of EPC and all members of Council who had the opportunity to attend the seminar, ask questions and basically get a good understanding of the Capital Budget. Also a special thank you to Corporate Finance, Mr. Speaker. They are seated right behind me. As we all know, year in and year out, toil for many hours in the day and we could no way accomplish this feat without their assistance and guidance and I want to thank them. As well as to the public, to all of the delegations here today, also came to EPC as well as all the Standing Policy Committees as well as the open houses that were put forward by Councillor Fielding, thank you for all you know, taking the time and having your input. It's very much appreciated. I just want to make one specific comment on the Capital Budget, Mr. Speaker. In 2012, the total street budget will be increasing from 111 million to approximately 150 million. That's a 34% increase, Mr. Speaker, I don't think a day goes by where we don't talk about our crumbling infrastructure and the crisis that we are in and this Council is attempting to address those issues. With that, Mr. Speaker, I will turn it over to Councillor Fielding.

Mr. Speaker: Councillor Fielding.

Councillor Fielding: Thank you very much and Mr. Speaker, I first would like to, as Mayor Katz said, had indicated, thank a number of people. Mayor Katz thanking for your leadership on the budget process, the Budget Committee that was there. Councillor Vandal sat through a number of meetings, Executive Policy Committee for your support and the administration, the whole gang of Corporate Finance did a fantastic job. Thank you Mike, for answering all my e-mails late at night. Anytime I sent them off, you were very honorable and that I trust your opinion in a lot of thing so thank you very much. I'd also like to thank the public for your involvement in the pre-budget consultations sessions. We started this first time we started this I guess it was the last three years and we've done it over the operating and through the capital process for it. It's important to get people's input. We had one session at the Convention Centre this year. We also had an opportunity for people to go on line through blogs, through a number of sources to get their information out as well as the normal sources of talking to each of your Councillors that are there. I want to thank the some of the Councillors for their support and I think this budget implements a number of items which they thought was important for people. And you know, in terms of the budget consultation too, this is something we started, we tried out to model after what the Provincial Government does, this is the exact same process to it, but we're open to change. You know, I know Councillor

Orlikow has put forward some good ideas in terms of how he would see the consultation going ahead and I think Councillor Gerbasi mentioned that as well. So I want to say we're completely open to the consultation session, you know I think in the Provincial Election, they had a virtual town hall meeting. I thought it's kind of a neat concept. You've got things like Google Plus, you name it, whether you can have people…that's the new media piece but also there is a traditional piece that I think is there. In terms of the Capital Budget, this is my 5th Budget I guess that I've shared and brought forward including Operating Budgets and I can tell you this is probably the most challenging that I've been involved in. And you know, I can tell you that everyone in this chamber knows that we need to spend more money on infrastructure. I don't think it's an ideological position. We just absolutely need to spend it. It's how you get there I think is a part of it. This Capital Budget allocates $393 million or 6.2% increase over the 2012-2011 Capital Budget we spent on capital projects here in the City of Winnipeg. Really, the top priority for the 2012 Capital Budget is on roads. It is on bridges, it is on streets and it is on public safety investments and these are the priorities that we heard from our citizens weather be the election campaign or people when you're going to events throughout the City of Winnipeg, that consistently talk to us and we strongly believe this is a very balanced approach that we are talking in terms of some of the street work, in terms of some of the transportation issues that people are talking about, we think it makes a lot of sense. In terms of roads and streets, the Capital Budget puts more money towards roads and streets. As Mayor Katz indicated over $154 million will be spent on this over 29 percent increase of 2011 on streets, roads and bridges here in the City of Winnipeg. You look at the major projects; the first big one of course is Plessis Road, the twinning and the grade separation that's a part of it. Obviously that's a big part of it. This is a major initiative that was identified from the city of Winnipeg in terms of our priority list and is supported by all 3 levels of government and I think you know the one person here who deserves a lot of credit for making this happen is Councillor Wyatt. He was out in the public that lobbied hard to get this incorporated and I think it's an important project. And kudos to you as well as Councillor Wyatt. The amount of phone calls I got from him in terms of trying to get…make sure that the funding for this in 2012 was in place, you know, the guy is like a dog with a bone but it pays off because it makes sense for the citizens. Some of the other bigger initiatives within this budget, we are having the Sturgeon Creek Road Bridge share with Councillor, the Speaker and myself to the tune of $11.4 million. And we're also finishing off the Osborne Street area for I think to the tune of $5.7 million. So some important investments in our community. We're also looking at things like curb renewals and sidewalks. We saw about a 34% increase in terms of that to the tune of $1.9 million this year. We think it's an important step forward. In terms of some of the regional local streets, our budget comes in at $31 million which is actually about 2.5 million more than we have projected to spend in the 2012 year from our projected budgets that's there. It would've been higher. We've got about $9.3 million and develop our pay backs. It's worth that we did on Plessis not the project I just mentioned, but the twinning of Plessis as well as the Bison Drive and Pembina Highway. We pre-did the work and had the developers pay for it and we're paying it back this year so that's the reason why it is a little bit down here. You know, of all the budget portions of the budget and you know over the next two and a half years, three years that we're here this is one area of the budget that I think we really need to focus in on and address to make sure it's happening here. I see my time is going down so, skip to the…we're also having some major projects we're working in with the Disraeli Bridge, we're having the Chief Peguis Trail, we know those things are happening here. There's also some major road works that's there. AT funding, there is some talk up in the crowd, AT funding, this Council, this government, really, I think nation-wide is second to none in terms of our commitment to it. Not only are we maintaining, we had a big bump a couple of years ago in terms of dollars we're spending but we've got a $25 million commitment to active transportation funding when you look at things with the Chief Peguis Trail, the fly over, you're looking at the Disraeli, a piece that's there that's a $25 million commitment. There's a lot of Councillors at this table here that were part of those decisions a couple of years ago and I think our administration here, the Government, the City Government here you know, a very big commitment to it. Gravel back lanes, very happy that gravel back lanes program is a part of this. You know, I can tell you from residents from my area, there is somewhere in the neighbourhood of 380 gravel back lanes. People have been fighting for years to get this a part of the budget. We did a number of them last year. We're continuing on over the next course of the numbers of years, makes a lot of sense. ECRs project, this is something that's gone through Council. I can tell you this is something that's very much needed. The new lead, standard complex, really will consolidate our fleet services as well as our public works, anyone that's seen the condition of these buildings for the last numbers of years knows it is time to make an investment for this. Not only will this make our City Government more efficient in terms of the operating but will also reduce our carbon footprint as brought forward for it so we think it's an important move forward with it. Parks, green space and recreation, also some very good progress in this budget. We allocated $16.9 million to community service projects. A big part is the Assiniboine Park Conservancy. We're allocating with the first calls and what have you, some of the neighbourhood of $9.7 million to Assiniboine Park, which is about 57.7 million, you know, the course of the five year project and with partnerships with the Assiniboine Park Conservancy, we're making the Park, the jewel of our park system. I can tell you I live five minutes from the Park and amount of people, you take people to the playground structure, the new centres that are there, people are marveled at what's going on there. So I think we deserve a lot of credit with, you know with other levels of governments to making this happen. Also with this budget, you are seeing a new park amenity, the King George Park Pool and library facilities. The King George Park Pool, this is going to be a similar model to similar to what you're seeing at the Kildonan Park Pool, very effective in terms of that, we anticipate the library of 5.5 million will be dedicated over the next few years. Also very happy that through the East Elmwood, we're investing a new community centre that's going to be there, $3.4 million to

Health in the Province and I know that's something Councillor Steen has lobbied very hard for. Also that community centre (inaudible) incentive grant program, something that Mayor Katz talked about in his Election Campaign, very happy that $965,000 are allocated towards this, that means…(Inaudible)

Mr. Speaker: Councillor Steen moves an extension. All those in favour? Opposed? Carried.

Councillor Fielding: Some important investments in police centres. We know what's going on in the downtown in terms of the Downtown Police Centre, a part of this we also have the South End Centre which looks at the Lyle Street and the Pembina Highway being built and constructed and be ready for next year and the North End Centres. What these are very important aspects and will help in terms of public safety, lots of efficiencies specifically with the downtown projects. Fire halls, you know I was talking to a firefighter this weekend and he said these are some of the most important investments. He's been there for 20 years that he's seen in the city. We know there's four fire halls that are being constructed this year and finishing off next year that's a part of it. This budget also allocates for four more fire halls over the course of this capital project. We think it's an important investment and some of these aspects can really, truly help to save lives. Giving them the firefighters they need in terms of some of the resources, in terms of the equipment and facilities will help to save lives. Transit investments, this budget advances transit investment, we allocate over $24.4 million to transit investments. We're going some work on the building replacement that's there and we're also putting more buses on the road, that's a part of it. This is also incorporated a million dollars for the first I guess, functional study if you will for the rapid transit system. It identifies the routes, any issues that's part of it. We think we've asked the Province to join us. We think it's some seed money that can make a very positive thing that's happened. There's been some presentations up in the crowd here that we should be investing more in transportation and roads or we should be just putting our money in transportation. I think a balanced approach makes sense. People use cars, they also use buses. One thing that you didn't mention which I think is important is things like CentrePort. Winnipeg is the hub of transportation that's there. It's not just people that transport your families to and fro, it's going to be a major transportation effort. So making transportation roadway system is important to transform Winnipeg and our economy which I think is important to mention. Water and sewer updates, I've got a bit more here, Mr. Speaker. Important upgrades in the water and sewer treatments that's there. We're continuing on with the work, the one piece of course that has been deferred is the North End Treatment Plant there. There's been some changing with the Save Lake Winnipeg in terms of some of the license requirement. I spent four and a half hours of my life at the committee presenting the City's position on nitrogen removal. We haven't changed our opinion on this. We think that you know, we stand with the scientists that are behind here in terms of the benefits to it and we'll continue to voice those opinions for it. Some general comments just as I close here. You know, we…a lot of the items here, it's important to continue our investment in community, community parks as well as community amenities. Each Councillor will have a $100,000, each of this budget to incorporate here. We're also working with the Province in terms of the Building Communities Initiatives to make some good projects happen. That's happened in the last budget, will continue to happen here. In terms of some of the financing I'd like to identify, I wasn't here for the Transportation Master Plan but I can tell you, the vast majority of the projects that we're supposed to allocate for 2016 have been funded and have a funding source that's here. Lots of talk of how are we going to fund these other projects that are there? Well you know what, the reality is projects come up, we have partnerships with the governments. You've got other different innovative revenue ideas that's a part of it. Everything a part of this is a part of our debt strategy. We work with our Corporate Finance Department with our financial advisers and got endorsed by the bond raters in terms of our plan going forward. So we have borrowed more money to make infrastructure a priority here in the City of Winnipeg. We want to maintain an important financial framework that's a part of it. We think that this plan going forward makes sense. So in conclusion, and I will wait for Councillors to make some comments on it. I think that it does meet the priorities of our city. We would love to spend more money but there isn't as much, you can't just go to the money tree and plant money that's there. We think it's a responsible budget that's going forward. There's a great work in terms of road work that's there. I've mentioned a whole bunch of them. There's also some work in terms of community centres, parks. We think it's a responsible budget that makes a lot of sense. And we look forward to and we encourage Councillors to support this. We think of it as a step in the right direction. We're still discussing in my comments after the budget I'll discuss you know how we think we can go ahead with this. So thank you Mr. Speaker and I look forward to hearing Councillors' comments on the Budget.

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

Councillor Gerbasi: Thank you, Mr. Speaker. Every Budget, particularly Capital Budget contains a lot of positive initiatives in it and this Budget I'm going to start with some of the good things in it. I'm pleased to see the support for public art, wasn't even questioned this year. I didn't have to fight for that one. Thank you for understanding the value of that program. Funding for community neighbourhood main streets was restored to a yearly, ongoing funding level rather than every second year as I requested last year that was listened to. So I thank you. The budget contains the detailed design studies I assume it's for rapid transit. It's getting vaguer which project it is. But I thought, assumed it was to complete the Southwest Corridor but in any case, there's money for that in the budget which obviously is a positive thing however long it's taken. I also appreciate the additional funding for sidewalk repairs that will benefit the Corydon area

and the Mayfair Rec. Centre is funded here, a new building, Osborne Bridge reconstruction the second part, waste minimization projects and investment in community centres, but before we all start dancing a happy dance there is some very worrisome aspects to this budget. Borrowing is up significantly and the City will soon no longer have the capacity to borrow under our financial planning guidelines. Some of that borrowing has made sense for higher priority projects such as fixing the existing infrastructure like the Disraeli Bridge and starting Phase 1 of rapid transit. But other spending choices have been driven by politics rather than good transportation planning. For example, this coming year we're spending $77 million on the Plessis Road widening and underpass. And while this may be acceptable to some the case has not been made that it should have been a higher priority over many other projects that it has jumped ahead of and the cost benefit analysis has not been looked at nor the traffic counts justify the lightning speed by which this project moved ahead and it's too late now, but I've always questioned the decision to build the Chief Peguis Trail roadway extension ahead of all our other priorities as well. We will be paying for that choice for the next 30 years and I also believe it was wrong to go with the P3 model that used private financing for one half of the financing of both the Disraeli Bridge and the Chief Peguis Trail extension. Those projects, private financing is more expensive. We all know that. And the secrecy around these agreements will make it hard to know how much these decisions will really cost us over the next 30 years. Fourteen years of frozen property taxes put us up against a wall facing impossible financial challenges. When the property tax freeze started 14 years ago, it made sense at the time. We needed to get Winnipeg in line with other cities as Winnipeg paid such high tax rates. Maybe even 6 years of that could have been justified but now we are in an incredibly deep hole. We will have to decide between service cuts or delaying fixing our infrastructure or having massive property tax shock as we hit this wall. And due to a lack of money, there are many deferrals, delays and actual cutting of projects in this budget. The budget reduces spending on local streets. I think overall we're spending a lot on the Plessis underpass but we are reducing spending on local streets down from 12 million to about 10 million this year and most years there is only enough funding for one or two local streets in a given ward. I don't know where we're going to find the way to do with less. And this of course is part of our existing infrastructure deficit. Funding for new libraries has been slashed from the budget; what really disturbs me is that funding for a mobile library vehicle service that was to expand library outreach services to high risk neighbourhoods in the inner city has been completely cut from the budget. It's really unfortunate that an inner city crime prevention initiative is taking a hit at a time when the city is facing huge safety challenges. There are many other deferrals in this budget. The Louise Bridge and the Arlington Bridge for example. The Budget again postpones the sewage treatment plant. Last year it was the same thing. In the past we were told we must rush to hire Veolia without seeing the contract as there was no time to waste to get these plants built and yet they are deferred again and we're quick to sell our waste water services at our Council Meeting tomorrow. Yet we are not dealing with our own waste water infrastructure issues. It has not been a year to be proud of in terms of our environmental record with the ongoing discharges into the river. So how do we address this financial wall we are facing? I guess there's always the hope of other levels of government rescuing us. However, such a care package does not seem to be in the mail any time soon and perhaps a better job of inter-governmental diplomacy is in order. In the meantime, it is clear that the tough financial situation we face has led to acts of desperation to find quick cash. The first and most heartless example of these acts of desperation is the absurd walk on motion at last month's Council Meeting to raise transit fares to pay for transit improvements. Clearly the process for this new tax on transit users was undemocratic and reckless. There was no consultation with Winnipeg Transit, the Corporate Finance Department, transit users or our funding partners. In an effort to bully the Province into action, transit users are being put in front of a moving bus so to speak, but aside from the process it is clear that making transit users pay for rapid transit capital costs is a horribly unjust and excessive burden on those who can least afford it. It's not how things are done anywhere else in Canada. Other cities are aware that transit riders should benefit all citizens through decreasing traffic congestion, reducing greenhouse gas emissions and causing less wear and tear on the roads. Vancouver's transit tax is paid for by everyone who drives. Transit riders are not singled out. I give you an example of Mississauga, which is a city roughly the same population as Winnipeg. They are building 18 kilometers of bus rapid transit compared to our 3.6 km. And they are also calling on the province to allow a vehicle licensing tax. They are not taxing transit users. Unfortunately, some cities such as Toronto are turning back the clock to the same place we seem to be stuck here in Winnipeg. Toronto Mayor Rob Ford recently cancelled a personal vehicle tax that brought in $64 million a year in revenue, in order to fill the massive hole in their budget, they are now making massive cuts including the closing of two zoos, libraries and cutting public transit service, just to name a few of that…what they are doing in Toronto. I hope Winnipeg is not going to take the Rob Ford approach but will follow the lead of more progressive cities in Canada. There are many fair and appropriate ways such as the new tax revenue, to tax revenues from new developments along transit ways or fees or taxes that are shared by all citizens as some of the delegations discussed. I'm seeing the time. I'm going to skip to my next point. I just hope that this mistake in a transit fare rush decision can be corrected before it kicks in in June and I really, truly hope you're considering that. I think the point's been well made that it was an error in judgment. The next act of desperation that Council is been asked to agree to as a way to come up with quick cash for more roads is the plan to sell water and sewer to our capital region friends. I know we're having the full debate on this tomorrow but the issue relates to the capital budget in the question of how do we tend to pay for all these new roads and I would point out that revenue from selling sewer and water services to the capital region is not free money. It's not a money tree. These agreements come with a cost and I'm not convinced this deal will be a good one for Winnipegers. There's no doubt that these agreements will accelerate the rate of exurban development. The City of Winnipeg will lose a lot of our tax base residential,

commercial and industrial with services provided and lower taxes to pay more people and businesses will move outside of the city in larger numbers.

Mr. Speaker: Councillor Smith moves extension. All those in favour? Opposed. Carried.

Councillor Gerbasi: Winnipeg neighbourhoods, currently older Winnipeg neighbourhoods, have reduced services, crumbling streets, dying trees and higher costs. When you move to the capital region you will have services and new shiny residential streets to cut through Winnipeg as you commute while enjoying lower taxes. It's no wonder that more people will make that choice taking their tax dollars with them. And there was a reason we haven't made these agreements in the past and all of a sudden we are expected to delegate authority to the CEO to make as many deals as he wishes with as many capital region communities. Council has been pretty much asked to have open ended development outside of the city limits to raise quick cash al to go to regional roads. We already have a massive infrastructure deficit. We need to spend a lot of money fixing existing infrastructure such as local streets, sidewalks and bridges as well as investing in the rapid transit system and active transportation. Clearly, opening the door for a free for all of ex-urban development will make matters worse. There will be more traffic and wear and tear on the roads and an increasing demand to widening of the roads at a huge cost and it isn't clear that the numbers work in favour of the bottom line of the City of Winnipeg and the citizens we were elected to serve. I've mentioned that the new Mayor of Calgary, Mayor Nenshi was quoted to saying, let's be clear, the vast majority of Calgarians pay significantly higher taxes to subsidize those buying new homes on the fringe. For your information, Calgary will be charging a development charge of $15,000 per new home to cover these costs. In Winnipeg, we are still giving away the farm. Growing cities in Canada realize they can't afford the growth they are facing. Calgary is now looking in their current budget, a 6% property tax increase. They had increases like that every year if not greater and that involves a lot of cutting of services to get to 6%. That's what growth is doing in Calgary. And in summary, I would ask you to consider who is benefiting from this budget and these acts of desperation to find quick cash. The winners are the development industry and those who own property outside of the city limits. They will win big. The losers are pretty much all the other citizens of Winnipeg with particular emphasis on those living in older neighbourhoods and, of course, anyone who rides public transit. This budget does not demonstrate the leadership and vision we need to address the challenges we face in the city, so unfortunately I will not be supporting it today. Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Councillor Gerbasi. I'm not seeing any other speakers. (Inaudible) Councillor Eadie.

Councillor Eadie: Thank you for acknowledging me, Speaker Nordman. I appreciate your governance of this committee or this Council. I'm speaking to this capital budget this year. You know, I went through it in great detail and I see a lot of really great projects. I see a lot of money being spent on…I noticed the departments all have lines for the safety and accessibility, I think that's really great. We're spending a fair amount of money. I didn't really add it up but I know that we're spending a lot of money in making our facilities and our services more accessible and I think that that's a great thing. I did see a lot of active transportation investment which is also really good. That's about providing healthier cities as well, complete communities that we always talk about, ensuring that people can use our streets and our sidewalks and our bus services and our roads and our bridges and so on. I also noted that and exceptions. I really appreciate that we are able to find some money to rebuild the Elmwood Community Centre because we all know and in everybody's words, the community centres play such a great role for the people in making the experience of living in Winnipeg so important, and so there's some really good investments in terms of that in this budget and I think that's great as well. The…I was disappointed to hear that we've removed some items from the library capital budget. It was my pleasure to actually support an amendment to the capital budget, looking for a source of dollars to really, what is an old library that does need to be replaced in Charleswood. I hope that we can find the funding and that brings me to one message I wanted to talk about because we heard from delegates today. And every time we make a capital decision in our capital budget, you do have to find revenue and actually the amendment to look at finding the dollars to replace Charleswood indicates that we do have to figure out how we're going to fund that. And I think that's very important. As many of you know, I actually voted against our financial management plan for one real major reason, well two but one real major reason and that is, I don't think that this city is at a place where it's balancing, dealing with our growth because the City is growing and we do need to invest in growth, but we also need to take care of the core of the inner city of our older infrastructure. We need to be able to do that. And I don't think that we are actually achieving that balance yet in this budget. I noticed that there was…well, there might be a little bit of improvement, but I think it's more in terms of regional streets and we do have to deal with some older bridges. But what we're not doing and I'm so disappointed in this, is that last year, what was it, $14 million for frontage fee to the city, citizens or residents, home owners of…in Winnipeg. And that $14 million is not being invested in our street, our local streets. We are told it's for our local streets, yeah we increased some sidewalk budget and you increased a few things but we actually decreased the local street improvement from 12 million down to 10 million. I think the 2 million was for some gravel road issues that were dealt with. And that was great. However, I would point out, though, that you know, there is inflation and we all know that, there is inflation in the construction industry and $10 million this year is not going to go as far. I did vote for the $10 million earlier which I think that we should've voted on the whole package on and I did vote for the 10 million because why would I say don't

improve some of the streets that were listed in my Ward. But, we're not dealing with this. I noticed that in the budget there is an amendment to talk about spending $50,000 to figure out how we're going to take care of our local street renewals, and back lane renewals. Let's be serious, let's talk about that, too. We need to make sure that that's happening but you know what, there was $14 million last year. Why didn't'…why weren't we utilizing all of that towards that and also, I brought it up last year, you know. Our financial management plan is kind of mute to some degree in terms of dealing with growth versus…well it is, trying to deal with the balance between growth and taking care of what exists. Now, it would've been a simple thing to utilize what we know as dedicated money. There is the revenue source right there and we heard from Chris Lorenc at the committee this year talking about utilizing some of that frontage fee for borrowing some money to pay for the local street improvement because we were told, we were told that the frontage fee is for local improvement. Well, I don't think that's happening. So I'm really disappointed that I didn't see any improvements in here because we could've done it this year. We talked about it last year. There's $50,000 in here to talk about it next year. No, I think actually you should utilize the $50,000 and come up with a better financial management plan that talks to us about how we're going to balance the growth investment and the existing crumbling infrastructure deficit. I think that this City Council over a period of time, I'm not going to accuse anybody. I'm just going to say financial issues are very difficult for everybody in the City of Winnipeg. But you know the reality is I think it is not responsible. We're not being responsible when we deal with these things. I just read you know, I was disappointed to read in the newspaper that the investment in the Chief Peguis Trail which I actually personally believe should've been built, I would agree with my Councillor Browaty, that Chief Peguis Trail needed to go through, we needed to deal with that because there was huge traffic problems that we had to deal with because of growth, and it was something that had to be dealt with. But, what I learned was, I read in a…or someone read to me from the Metro that the Federal Government says they invested 25 million. The Provincial says they invested 9 million and the City says they invested the rest through a P3. While I was under the assumption that the Government of Canada was giving us money from a P3 fund, their $25 million was supposed to go to pay for a P3. Have they backed off the issue that says P3s are untenable? They're more expensive? Why did they separate out their money? Why is the City of Winnipeg, the one on the hook for the higher costs related to the P3? And I know why the Province's money of $9 million was severed out because the Province has a perspective on P3s. They know that they cost more and they know that design build can be done without entering into a P3. Now I don't know what's going to happen in the future but I know that based on how the financial management plan works in this city, the reason that we're going way over and beyond the what is it 20% of our operating budget is the allowable amount that we can borrow. I can't remember what the total amount was or what those numbers are right off hand, but I do know that the limit our ability and when you invest in things that cost when you…spending money that costs more that has an effect on what we're able to do when we're dealing with fixing old infrastructure and the last thing I would point out is that you know, when we are growing and we do need to manage this and I do believe that we do need more money from the Province of Manitoba, I'm sure that there will be many questions tomorrow about what we're doing in terms of trying to find that revenue to deal with our capital budget and I will wholeheartedly support a number of items that I think that the Mayor and our Executive Policy Committee would bring forward to talk about different ways of raising revenue. But I want to point out something.

Mr. Speaker: Councillor Browaty moves extension. All those in favour? Opposed? Carried.

Councillor Eadie: The Plessis Road underpass somehow got by me. I wouldn't have voted for it. It got by me at the last Council. But you know when we're managing that kind of growth, we do need to look at what effect is that having and we or I believe we removed a number of capital budget items in order to accommodate that particular project. But, maybe it should've probably been managed I think or tried to figure out a better way to manage the increased cost as a result of doing the Plessis and, but what I don't see in here and there's a huge traffic problem in being caused in North Winnipeg. What I don't see here is any funding put forth to deal with moving the Chief Peguis Trail to CentrePort, west of Main Street. And I already noticed like people are driving the new road like crazy. Everybody loves driving 80 km/h through North Kildonan if they don't have to be in North Kildonan. It's a great facility to have to get to your soccer game. When my son used it to get to a soccer game at Gateway Community Centre, he said, "I was there in like minutes" whereas it used to take him a long time. So the point is it's a good facility but what about the rest of North Winnipeg? We need to deal with that. I have huge traffic problems going on McGregor and Salter because people are trying to avoid these busier streets. We need to have, when we're planning these stuff we need to make sure that we also deal with the safety and the ability of people to utilize our local streets and feeder streets that are being influenced by these huge amounts of traffic that all of a sudden bringing through our community so I…it's with…I would like to vote for this but there's just not enough balance yet in this budget for me to be able to vote for it so I'm going to be voting no against the Capital Budget and I should mention finally that there is a better way than using 20 cents. Right now if we charge 20 cents in June and you haven't even got it in the capital project, it's not even in here, the amount that we're going to spend to do that and we're already charging what it's going to amount to what, $9 million a year of…that's a cash grab off of people who can't afford it. It's wrong, wrong, wrong.

Mr. Speaker: Thank you, Councillor Eadie. Councillor Steen.

Councillor Steen: Mr. Speaker. I rise today in support of this capital budget. I would first like to thank the administration and the EPC Councillors for their work on this budget. I appreciate all of the hard work and long hours that have been put into this document. While speaking with residents in my Ward of Elmwood East Kildonan I clearly hear that maintaining our infrastructure and investing in our community centres are very important. I'm happy to see that this budget includes money for the preliminary design work for enhancing Molson Street. While door knocking throughout the area last fall, I heard from residents of the area, many senior blocks along the street as well as organizations such as Concordia Hospital, that Molson Street is in deplorable condition and is in need of repair and twinning. The amount of traffic using Molson Street has increased significantly over the years and I am encouraged that the City is making this road a priority. I look forward to future budgets that include dollars for construction of this road. I am also encouraged to see new investments in this budget to help renovate our existing community centres. The new Community Centre Renovation Incentive Grant Program will provide a great benefit to many of our community centres who are trying to overcome the aging of our facilities. I'm excited to see money allocated in this budget for new East Elmwood Community Centre. After a devastating fire, which destroyed the centre this spring, I am encouraged that the City has reacted so quickly and made rebuilding the centre a top priority. This centre is much needed for the area and once completed, will provide a community hub that the area can be very proud of. Thank you.

Mr. Speaker: Thanks, Councillor Steen. Councillor Mayes.

Councillor Mayes: Thank you, Mr. Speaker. A couple of people have said to me the original plan was I was going to be sworn in on Wednesday and this was good because I could duck the vote on the Capital Budget and they said they didn't elect me to duck the vote and I want to thank the Clerk and the Mayor for taking some steps to get me sworn in today. To give me the chance to vote on this and obviously I haven't been part of the debate and part of the public forums that have taken place but I do think that I did want to vote on this matter and I do want to make a few comments as Councillor Gerbasi said there are a number of positive things in this document certainly from the St. Vital perspective, there is some good initiatives in terms of river bank stabilization and in terms of the bridge on Fermor and in terms of potential library funding that Councillor Fielding mentioned. And I do want to highlight that because the number of people said to me, Gord's gone, they'll be pulling the funding on that. You won't see that library dough anymore so I do want to commend the Councillor and the Committee for keeping that in place. And there are positives I think in the broader city sense. I talked to Mr. Wardrop, the head of Transportation about buses and he was saying, "Well, remember before we add anything, we don't have anywhere to put more buses." and he spoke at the Infrastructure Committee on that. So this does have commendably some funding set up to get…what I would call the bus barn improved and renovated and expanded because before we can look at more mass transit, we've got to look at where are we going to put these buses. So I want to commend Councillor Fielding and others for setting aside that money. Also as Councillor Gerbasi said there is some money for public art and I'm pleased to see that there. As the Mayor said last night, people haven't seen the city on fire like this in a long time and as I said earlier today I think this is a much more big league city than it used to be and I think part of that is having a commitment to public art one sees that in the major cities in Canada and the United States and I think we should maintain that. All of that said, I also share the concerns of some of my colleagues about the funding for local roads. And I've just finished as I said, nine weeks of going door to door and having people talk to me about their sidewalks, their roads, their back lanes. And people made it very clear that infrastructure, local improvements were a big priority for them and that was the number one issue I felt in my campaign and so I'm, with some reluctance, unable to support this budget because of that, that I just don't think there is enough there. I was the Budget Chair when I was a School Trustee. I have to say I would've taken it personally if somebody had voted against a budget that I'd worked so hard on. I certainly don't mean it personally to anybody here but I also think people sent me with a message about infrastructure and I want to take steps on my first day to try to bring that message which was I think people in my Ward and throughout the city want to see more on local road improvements, sidewalk improvements, back lane improvements. There was a fellow on Nicolette to I thought sort of typified the whole election. Took me out, he was sweeping up the concrete chips on the road because he says, "I do this every year because if I don't, the snowplow comes and smashes them into the curbs and the curbs break and it just costs even more so. I hope by the end of my term in office to get that man some improvements on his street and elsewhere in the city there are. I'm sure every Councillor would have that example but with some reluctance I would, I do not intend to support the budget because I would like to see some more infrastructure money put toward the local streets, the local sidewalks and the local back lanes. Thank you.

Mr. Speaker: Thanks, Councillor Mayes. Councillor Orlikow

Councillor Orlikow: Thank you, Mr. Speaker and Mr. Mayor. Fellow EPC members who were there, Councillors in EPC who were able to put this budget together. Especially to the administration, this is a gruelling process and so I commend you all for doing what you could to put this forward. And the reason why this document is important is because it actually does frame a type of vision where we see going forward for Winnipeg. So once you get rid of all the numbers and where things are going exactly and we get caught down in the cherry picking little things. We have to look at the overall vision of this document and where does it plan to take us into the future? So I do believe it is part of the visioning documents

that tell the public where we are going to be going and I believe this document, again, as I said last year is a vision of more residential streets and back lanes falling apart. Sewers that will continue to dump raw sewage into our rivers. An urban forest will continue to be stressed. Continued decay of mature communities and projects again, like the Waverley bypass that are getting deferred for another year. Just to even start the project. So that was last year and again so what's in store for us this year based upon this new budget? Again we have less residential streets and back lanes will be repaired. We will have a report that will talk about another report that will say how are we going to fix these streets. I think we all know that it's called priorities. And we also know that we say we have this commitment to local streets however in the last few years we've seen a reduction of one-third in the last two years alone of the budget even with the frontage levy. We have new police stations and a new firehalls being built. This is very positive I believe for the City of Winnipeg, however we have to realize that this is going to have a huge drain on available money going into the future. We have a new underpass that we built because the City committed to a project, really in my opinion solely because we acquiesced to the Federal Government and the Province and we didn't have enough hutzpah of our own to say this isn't a…this is your way that you did it during the campaign, that's your prerogative but I don't believe that project was a city priority, it isn't a city priority based upon the numbers, however, the City of Winnipeg, nodded down to the Federal Government, nodded down to the Provincial Government and said, "Yes, sir, thank you very much." Even though it really wasn't a priority, I believe, to the City. This will also show you that we are now going to have increasing our debt load again, so we're going to be borrowing now to make our children pay for this in the future. We're also…this, the budget shows dramatically less investments in libraries and that being talked to. We also know that in this budget and it hasn't been announced there yet but we know that we're going to be looking at less public recreational opportunities in my opinion by the selling of our arenas and golf courses. We're also going to be looking at the selling of public green space in the future, that is inevitable. Is that a good thing? Well, we'll see when it comes but it's something that's going to happen. We know that there's been increased money to pay for regional roads and bridges that will just accommodate ex urban's growth. We know that there is still no new money for the urban forest even though we know that Dutch elm disease is destroying our elm canopy and the ash bore beetle is threatening the rest of our tree canopy. We know that service agreements which we will talk about tomorrow are being considered that in my opinion will cost Winnipeggers millions. And we know that user tax is being levied upon transit riders. So, when does the future hold for us with a vision? We have increased infrastructure debt, increased financial debt and less money available to fix our problems in the future. While there is an agreement that Winnipeg needs to look and navigate for a share of growth revenues that alone will not deal with the issue. We talked about that for seven years. Again we've got to keep lobbying for it however we can't just wait until some magical thing happens from above. The Infrastructure Deficit of Possible Funding Options Report already endorsed by Council two years ago, clearly by its many funding options such as increasing government in post charges on new developments. Winnipeg is ranked by the CMHS as having some of the lowest development charges in Canada. Money must be spent to attract people to move to Winnipeg and to stay here. It must be spent to give people reason to choose to stay in Winnipeg rather than move out to another RM. This is done through reinvestment in the city's old infrastructure in fixing what is broke. It is not done by providing other municipalities the opportunity to grow at Winnipeg's expense, by using capital money or one time money to pay for operating costs or trying to grow the city out of debt. Last year I suggested that the City Council be involved in the entire capital budget decision making process, us called Council as a whole. I question why should only a few Councillors be involved in the development of the budget? Why are negotiations regarding parties done behind closed doors? Why are decisions done arbitrarily and without prior consultation? So those were my comments last year. What's the result this year? My motion to have a more open process was denied by EPC. My attempt to present it to EPC recommendations on insuring that if the sale of golf courses and arenas goes through that the money is reinvested in parks and community centres, at infill developments, that money goes into fixing residential roads resulted in zero questions or zero follow-up, and zero support obviously because it's not even in the budget. This year resulted in one public consultation session with the public with less than a week's notice. The final capital…the final, well, the draft capital budget was presented to non-EPC members a mere hours before the press got it. So again, we are offered the opportunity to say what we believe would be helpful to improve the process and make it much more public and transparent, again, as cited I have and I will continue to try to provide options to EPC and hopefully one day they will accept one. So I will vote for a plan that reinvests in existing neighbourhoods; reinvests in existing infrastructure; identifies how the City will do its part to address our infrastructure deficit without selling out our future and incorporates the vision of healthy neighbourhoods that will result in people wanting to remain and move to this great city of opportunity, we all know it is. So that is why I am voting against this budget.

Mr. Speaker: Thanks, Councillor Orlikow. Councillor Vandal followed by Councillor Sharma.

Councillor Vandal: Thank you, Mr. Speaker. To begin with I'd like to welcome Councillor Mayes to the Chamber. I look forward to many interesting evenings at the Riel Community Committee with yourself and Councillor Swandel. Mr. Speaker, I am the Chairperson of Public Works and Infrastructure Renewal and I'm not going to stand here in front of everybody and tell everybody that this is a fantastic budget that's going to solve all of our infrastructure problems for the future of our city because it's not that. Our infrastructure deficit is so well documented, it's been so much out there, we know what the problems are, that there's no one document including a city capital budget that's going to solve all of

those problems however having said that, I believe that given the tools that we have, given these challenges that we have that this is a very good document that goes out in many positive areas of the City in a sustainable fashion. In 2012, we're spending almost 400 million, that's 393 million to be exact, on our entire regional streets, residential streets underground infrastructure, civic buildings, public open spaces and I can go on and on. 393 million which is more than last year and it's still not enough. Over a six year period we are spending 2.3 billion on all of those priorities, Mr. Speaker and it's still not enough. We've talked about the Public Works Department, it's gone up to 154 million from I think it was about 120 last year. Unfortunately, not all of that increase can go into regional streets because there are lots of other priorities. We are a river city. The Red, the Assiniboine and the Seine River and…are part of our responsibility is to make sure that those waterway crossings are in A-grade shape. Nobody wants to be like Montreal where bridges are collapsing. So we're spending a $100 million on waterway crossings in the City of Winnipeg in 2012. We are spending $31 million on regional and local streets renewal and we know that's not enough, but we know the Public Works Department has gone up to 154 from 120 and that's significant. We are spending $25 million in 2012 on Winnipeg Transit. We're spending $13 million on buses because we know that in 2012 there is going to be 70,000 more bus hours of service that were not there in 2011 so we need new buses. We're spending 25 million and over the six year term, we're going to spend $161 million on Winnipeg Transit. It's not chump change, Mr. Speaker but it's a far cry from what's needed to actually build a modern sustainable transportation system. And let's not forget, Mr. Speaker, the glass is half full. This Council, last meeting, voted to finish the second phase, the Southwest Rapid Transit Corridor by 2016, thanks to the fine work of Councillor Gerbasi, the Public Works Committee, we moved it up from 2031 where we would all be old citizens by 2016 and let's be very clear Mr. Speaker, this Council will be judged on whether or not we meet those time lines. There is a big issue about bus fares but that's not a capital discussion. That's a discussion for the Operating Budget. That's a discussion we're going to have early in 2012. 50 million for the East Yards, Public Works Yards, Councillor Fielding talked about that, a very positive project for Public Works. They are currently working in buildings that are rotting and decaying and this project is positive on there and it's been around as long as I've been. It's gone from the Canada Packer's site to the industrial park. Right now it's south of Nairn and it's a very positive project for the City. Two months ago, this Council voted near unanimously, to approve a strategic comprehensive waste minimization master plan, Mr. Speaker. In the next eight years, the goal is to reduce the amount of waste that goes to the landfill from a meager 15% to over 50%. Mr. Speaker, I'm proud to say that this year we are spending $2.5 million dollars on Brady Road improvements, the landfill, $2 million on an organics composting facility. We are spending $7.2 million on automated recycling carts for the last three quarters of the city and we are spending almost $10 million on recycling carts for the entire city. Sorry that first 7 million was for automated garbage carts. Mr. Speaker, we are actually investing on implementing the Strategic Waste Minimization Master Plan. It's incredibly positive for the City and over the term of the six years, $138 million. $35 million dollars in 2012 on our water system including 14.5 million on water main repairs. We all know how important that is. $51 million on sewage disposal system Mr. Speaker in 2012 and they're in lies I think our greatest infrastructure liability. Our underground infrastructure, our water and sewage and over the next six years, Mr. Speaker we are going to spend $1.1 billion on sewage treatment plants, on water systems distribution. It's a number that's incredibly significant. And even if the Federal Government and the Provincial Government cost share with us a third, a third, a third. We hope even if that has not yet been confirmed, we know that the funding from that will come from water rates, it's not going to come from property taxes, it's not going to come from business taxes, it's going to come from water rates and Mr. Speaker, this is something we have to do. It's been legislated by the Provincial Government through the Save Lake Winnipeg Act, Mr. Speaker, incidentally which was supported by all three political parties at the Legislature. It's been dictated to us by the Clean Environment Commission that we need to do it. And frankly, Mr. Speaker, with the problems we've had at the South End Water Treatment Plant, I think the public really wants us to move on this. And we are pushing it back one year because of the changes made through the Save Lake Winnipeg Act, but all told, Mr. Speaker, the point I'm making is that there is $1.1 billion in the next six years that we have to fund through water rates so let's get prepared for some water rate issues, debates, in the new year, Mr. Speaker. The above ground infrastructure deficit is more well documented. It's more out there and certainly there are more people asking for progress on residential streets and water and regional streets as well as sidewalks, Mr. Speaker. And we know what the issues are. We know what our infrastructure deficit is. Over, I believe in 2009 there was report commissioned saying that the City of Winnipeg should be spending over $300 million more than what we are currently spending on infrastructure. So we know what the problems are and it's not a new issue, it's been around for a decade now. We've been talking about solutions; we know that the City of Winnipeg needs a better deal to address those infrastructure issues, Mr. Speaker. And we've talked about it for years on end. There's been a little progress. There needs to be more, Mr. Speaker and I hope that a foundation for a solution to this problem, at least for the transportation priorities, could be found in a motion that came from Public Works and it was approved by Executive Committee and it's really a reaffirmation of a transportation authority that would look at our transportation master plan that

Mr. Speaker: Councillor Wyatt moves an extension. All those in favour? Opposed? Carried.

Councillor Vandal: …identifies the near priorities and that would suggest ways to finance those transportation priorities. It's not a new idea, Mr. Speaker. It was in the Mayor's State of the City Address, I believe in 2009. But for some reason it has not moved forward. So I think a stand alone arm's length Transportation Authority with the best and the brightest

from the City with a buy-in from industry experts from the private sector, from academia, and I hope buy-in from the Provincial Government, will bring us a long way towards addressing those transportation priorities and talk about the issue that the public is talking about. The public is talking about a greater share of the gas tax, about a motor vehicle tax, about… Chris Lorenc and the Green Action Centre came forward to EPC and to Public Works talking about tolls. Well, I think those are all solutions that got to be put on the table and have to be brought forward by I hope an industry led or industry participant in an arm's length Transportation Authority, Mr. Speaker. I want to thank the administration. I want to thank first of all, Scott Fielding for the leadership on the budget and, of course, Mike Ruta, Phil Sheegl and your team, incredible work that you've done. It's certainly…there's a lot in here Mr. Speaker, I'm not 100% in love with absolutely everything but I think by and large it's a positive document, so thank you.

Mr. Speaker: Thanks, Councillor Vandal. Councillor Sharma.

Councillor Sharma: Congratulation, Councillor Mayes. Great to have you here. Mr. Speaker, I rise today to show my support for this budget and acknowledge the efforts of the administration and the Executive Policy Committee. I am very pleased with the recent opening of the Chief Peguis Trail Extension, a very important piece of infrastructure in our city. It is time now to get the west side of the extension going. It is not even on the horizon, so it will be my goal to make efforts to get the Chief Peguis into next year's capital budget forecast. Our infrastructure problems are huge Mr. Speaker, as we are never going to handle the problems if we rely on property taxes and the current funding from our government partners. I will support our Mayor and Council and every effort we make to negotiate and advocate for long term capital support from other levels of government. If nothing is done, the infrastructure deficit will only compound. Mr. Speaker, I would also like to note, community centres are a very important piece for my constituents. So the New Community Centre Renovation Incentive Grant Program to upgrade and improve community centres is much needed and a great initiative. I have already spoken to the presidents of the three community centres in my Ward and they are very pleased with the proposed funding and would have no trouble identifying projects within their respective community centres that could benefit from such a program. Thank you.

Mr. Speaker: Councillor Havixbeck.

Councillor Havixbeck Thank you, Mr. Speaker. Congratulations and welcome aboard, Councillor Mayes. Thanks also to those who worked on the budget, Councillor Fielding, Mike Ruta, Jo-Anne, Betty, Howard, many others. The administration worked very hard and I can tell you that one day I was scrambling around looking in my budget book wondering what page something was on and I just said it and they knew the exact page, so they know the document inside and out and they just finished with one and they begin the next one. So kudos to them. As City Councillors I think we have many priorities for our city and I bet even though we have different backgrounds and different views on things, what we would view as priorities aren't that far off. A safer community, improved roads, improved traffic flow to get from point A to point B and community centres that keep our young people engaged and out of crime. So if I look at this budget and I look at this list of needs. This budget is responsible but does fall a bit short in certain areas. It has been said repeatedly this morning that our infrastructure piece falls short, our roads, bridges, traffic flow, community centres all crumbling and we need to or we continue to look for something to save them or someone to save them. Chris Lorenc was last here at EPC talking about how the Province generates $280 million in gas tax revenue throughout the Province. Likely 80 to 90% of that is spent within the City and yet $50 million is around what seems to be in what the City receives. There is no improvement in this funding proposed and that Province, the message from the Province has come loud and clear I think, more and more. He also reports, and many other reports report that there is a needed 380 million or so and I think Councillor Vandal alluded to that and we're putting 154. But that's no fault to this City Council. When you have a pie at a meal, you only have a certain number of ways to divvy up that pie. So if you don't…if you move and continue to move more in a direction without getting a bigger pie, you're falling short in other areas. So this leaves us with a budget that although diligently worked on and reviewed by all of us is still mediocre and that was the quote that I used at EPC and I still stand by that quote. Although there are many, many positive things with it. A good example of where the Public Works piece falls short is a in the granular roadway improvements. $3 million is the line item every year, yet it costs us 4.5 to 6 million dollars per road to do. So essentially, you're spreading out doing one road over a year and a half or sometimes two years. Representing Charleswood that's a serious concern where we have many granular roads. People who live on roads like Loudoun Road, who expect a gravel road but are driving on a mud road, simply can't have that as a priority. The words "has never been done before" were heard a couple times from the delegations and I just want to focus on some of the things that have never been done before that was used in reference to the transit fare increase, but much is under way including fire stations, police stations, the police headquarters, the East Yards Development and many new recreational pathways and the Plessis Underpass so citizens as a whole can look forward to many improvements, improved fire stations, Sage Creek is almost completed. The one in Charleswood is well under way, expected to be complete by early new year, as well as the one in River Heights which is looking like nearing completion by about May or June. So what does that mean? Well, in Canada we have the highest response or the lowest response, the most, the fastest response to an emergency by our fire and paramedic crews. Less than five minutes by our firefighters. As well, these new fire stations will ensure that as our population grows and our community grows that we

keep pace with those and that we can continue to be Canada's leader in that and I think that's very important to citizens. What also is important is this culture began amalgamating in 1992 where firefighters and paramedics were beginning to join forces and work together in a much more amalgamated way so physically uniting them from separate ambulance and fire stations is very important and leads to many new gains. Police stations, the police station in the west which will amalgamate stations two and six, is under way. Tenders have been out and construction will begin in the Spring and so what? So our police force deserves good, nice accommodations. The Police Chief presented a crime reduction strategy and I think having a positive workforce will help us work towards having reduced crime. I'm still very concerned that we are not looking to long term sustainable goals in our infrastructure. I think the transportation authority will be a very progressive step, and I think the other cities like Vancouver have adopted these a long time ago. Our city is on the tipping point in terms of infrastructure and needing to support infrastructure and a transportation authority will help implement those priorities that were already passed by this Council in the Transportation Master Plan. Raising taxes will not accomplish what we need to do over the next 3, 5, 10, 20 years in our city and it's not an effective way to support increasing costs to infrastructure. That has been proven in cities throughout Canada. We need to look to other models such as ASD initiatives and our Asset Management Program will be key to help…to help us dig ourselves out of our infrastructure situation since we are not seeing the support. Those people who appeared in delegation had many suggestions such as toll roads and having users pay for roads and those are exactly some of the things that Chris Lorenc presented at EPC last week, user fees. The transit fair increase to support the rapid transit extension is a direct user fee and I think that that is the beginning of many more that we will see. So, in closing, I support this budget, although it is not what I would've loved and ideally love to see us help move our city forward, but it does the job in the pie that we've been given. Thank you.

Mr. Speaker: Thanks, Councillor Havixbeck. Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. Another capital budget. I remember I think my first one was supported unanimously here. I get the impression that that's not going to be the case here today. When it comes to our infrastructure, we're simply not doing enough. I think we all get that around this table here. When you look at other…other types of spending that we've seen in public service, education in current 2010 dollars went from $2.3 billion in 2000, to 4.1 billion in 2010, almost doubled. Education according to the frame report, 2000, 2001 school year, the education system in Manitoba cost 1.27 billion. By 2009, 2010, it was up to 1.6 billion dollars with over 14,000 less students. Our infrastructure is crumbling. Nobody doubts that and we have to look at everything. Everything needs to be on the table. I was part of the Infrastructure Funding Council that Chris Lorenc and AMM and the City led and everything needs to be looked at. No stone needs to be, can be left unturned at this point. It is true, we have the lowest gas taxes after Alberta in the country. Am I excited about raising any type of tax? No, no, no. Parking stall taxes, maybe. Increased downtown parking rates? I think probably. Frontage levies and yes, property tax increases. I think we'll probably have to look at these things. Twenty cents on a transit fare, it's part of it, too. We need to look at finding more efficiencies with our own public service, Mr. Speaker. Further contracting out or opportunities to find more productivity with our own public servants. These are all things that we need to look at here, to move forward as a city. In terms of what's good, we are actually putting some new infrastructure in the ground. We're building new roads. When I ran for office in 2006, the thing I heard over and over again is North Winnipeg gets squat. We pay the taxes, South Winnipeg reach the rewards. That was the message I kept hearing over and over and over again. Well Mr. Speaker, I'm very happy to say that some of the tables have turned a little bit. There has been some improvement definitely in the northeast Winnipeg. The Disraeli replacement, one of our biggest road projects in decades to the tune of $200 million is well under way now Mr. Speaker; the East District Police Station, the first of the new community stations in the three district model, a huge success and I'm happy to see it being replicated in other parts of the City. Henderson Highway Library Extension, smaller item, but again wonderfully loved by the people in Northeast Winnipeg. Eleven days ago was the official opening of the second phase of the Chief Peguis Trail, 21 years plus a couple of days later than the the first phase opening in 1990. And there's some very interesting stuff that's coming forward today. The East Yards Public Works site. I went and toured some of the existing sites, animal feces in the kitchens, in their lunch rooms; I mean it's completely unacceptable. It's time they have a proper facility and that we're replacing it, is it sexy stuff that the people driving down, our constituents during the scenes? No. But does it need to be done? Yes. Councillor Vandal spoke at length about the need for our underground, our pipes. We're almost at the point where these things are to become a crisis. You don't notice them until they breakdown but we are at that point where they're going to break down so that investment is huge. Our water rates are going to be ugly, our sewer rates are going to be ugly for the next number of years, but unfortunately it has to be done. And, the Plessis Underpass, another example of Northeast Winnipeg finally getting some of the…it's not that we're overcompensating for anything but it's time that we actually do get our share of things up in the Northeast Winnipeg and the Plessis Underpass is one of those things. Another very good item that I'm excited to hear about today is the moving up of the work that needs to be done on Molson. Yes, it is parallel to Lagimodiere Boulevard both…the explosion of growth in West Transcona, in the Harbourview Communities. It's very much needed. There's huge new seniors complexes at Concordia and Molson that are…a lot people are still driving there. They need some additional capacity in that that area and this is a very needed project so I'm happy to see Councillor Steen standing up for the people of Elmwood East Kildonan and getting that moved forward a year. That's I think a very important piece in today's

budget here. Councillor Gerbasi made a couple of comments about Chief Peguis trail. If you ask our traffic engineers, at one point Chief Peguis Trail was ahead of the Kenaston Underpass. And with the growth of Waverly West in some of the stuff in South Winnipeg, the Kenaston Underpass was very much needed, but at the same time, Chief Peguis Trail at one point was ahead of that project, various political reasons, it got done and this didn't, but again, there's just need all over the City both in terms of investment in our current infrastructure as well as new infrastructure to help harness the growth that our city needs to see going forward. The Conference Board of Canada shows massive population growth over the coming decades and that's going to be both growing up and growing out to some degree so I think that's very appropriate. Why P3 innovation? Our external advisors did evaluate for money, assessment. They showed us a value savings of $31 million or 17.6% in savings. Beyond that, the project is open a year ahead of schedule and on budget. How often do you hear that from any municipal infrastructure project? You look at things that were tendered previous…traditionally in the past whether it was the beautiful pedestrian bridge going into St. Boniface, the Main Street bridges, those went way up above what they were ever estimated to be, because there wasn't the public accountability that you get when you deal as a P3 project. So again, Mr. Speaker I will be supporting today's budget. We have massive challenges ahead of us. There's going to be some tough decisions to be made going forward and I thank you for your time.

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

Councillor Swandel: Thank you, Mr. Speaker. Welcome Councillor Mayes. I want to start by just talking a bit about some of the stuff that was said about rapid transit and the fare increases. I think it's important to put this in perspective and it's sort of…it comes all the way around to what we are talking about when we're doing our capital budget. Number one, I think it's important to remember that we want all citizens to use transit. We don't want to be selling our transit system as a mode of transportation only for the poor. It doesn't help us in any way shape or form celebrating our city and then making a better transit system that when we did Our Winnipeg, our transportation master plan we talked about the importance of getting a modal shift. So if we want to talk about our transit system as only a mode of transportation for the poor, we are not doing ourselves any favours. This is public transit, it's not lousy buses for the poor. We want to make it better. We want all of our citizens as much as possible to be using rapid transit or transit of any form or other modes that are going to help drive us towards sustainability. I remind our colleagues Mr. Speaker, that when we set out on this journey of doing Our Winnipeg and a sustainable Winnipeg and sustainable transportation strategy, the Transportation Master Plan, it was about achieving sustainability and being here not only in our generation but for many generations to come and to have the earth that we all live on today, not some messed up version of it in the future. Social assistance is a provincial issue and you know, we contribute to that. We contribute $23 million a year to social assistance. The people that were here today and some of our colleagues that want that want to stand up and champion this Mr. Speaker, as being something that's terrible that's going to hurt only the poor, their allies are at the Province. The people that are responsible for the provision of social assistance and they are making improvements, I must say. there's been substantial increases in minimum wage last year and I believe just implementing this month or perhaps last month. there's another substantial increase, so they are making headway. When it comes to the amount of money per month that a person has access to, the Province could be doing something better there and I encourage those people that spoke here today to go and make that argument. To make it as loud and what would appear to be as an offensive a fashion, I don't mean offensive like that but aggressive, a fashion as or assertive a fashion as they do when they come here, to make it to the Province, to criticize where that lays on the feet of where that issue lays, not to come into here and to criticize this chamber for the work that we do for building a sustainable city that's going to be a great city for all of our citizens, and not just for the citizens of today because we can do this as a flash in a pan and have five or ten great years or we could do this properly and have a great city for decades to come, generations to come, Mr. Speaker. We can return to the days where we were you know, the Chicago of the north and the gateway to the north and the gateway to the west. You know, this city has been at times one of the best places in the world to live and it is…it's almost there again. It just takes a little of us getting our heads together and getting it done and not throwing the stones around like we're beating up on the poor when we talk about something that's going to build something that's going to increase the quality of life of all citizens. Those citizens who use that bus Mr. Speaker, who will get an extra 5 or 10 minutes in their days to spend with their families, to do something in their houses, to prepare a better meal, the social dynamics of improved transit, you can't measure that in dollars and cents the way these people have come here today to do. I want to remind people to that in the six years of capital budget that you have in front of you, about 162, there's about $162 million of capital spending for transit. Out of that $162 million, you know how much is paid for from retained earnings? Out of that $162 million Mr. Speaker, come on take a guess, Mr. Speaker. $2 million dollars, Mr. Speaker. The annual operating budget for transit is about $150 million. You know how much of that is paid for by transit fares? Less than half, $73 million. So let's not sit around and pretend like we're not doing anything to ensure that transit is affordable and effective and that the rest of the taxpayers aren't using it. Let's also remember that buses don't run on sidewalks. They don't float in the air. You know, and they're not only going to run on the rapid transit corridors when they are built, they also run on the roads that they share with the cars. You know what the difference is Mr. Speaker? The difference is this: the user brings the car to the road, the user pays for the gas; the user pays for the maintenance; the user pays for the insurance. That's where the car operator is paying. So you know, let's get rid of these silly arguments, let's not make this

about politics. Let's go to something that Councillor Gerbasi said, when she talked about we've got to do this a better job of doing this through intergovernment diplomacy. I would suggest that we've to do a better job of intra-Council diplomacy, Mr. Speaker. Because if we put this opposition for the sake of opposition without applying any sense whatsoever to it, we could certainly get a lot further in getting things done. Mr. Speaker, there was also mention of desperation. These characterizations, desperation, we're doing this in desperation. Mr. Speaker when it comes to transit, I will say this, our what we've done is follow the process of OurWinnipeg, Sustainable Winnipeg, Sustainable Transportation. It's not done in desperation, it's done following a logical process. Doing nothing is worse than doing something in desperation even if you want to characterize it as desperation do that. But I won't stand here and do nothing and let this become a welfare city Mr. Speaker. We're not a welfare city, we're a great city, we're on the cusp of being the greatest city in this country, and the cusp for being the greatest city in this country for decades and generations to come. Mr. Speaker, our transportation master plan says in its enabling strategy it says, adopt a fare strategy that prioritizes service improvements over fare freezes or reductions. That's how you build a great city Mr. Speaker, that's how you build a sustainable city. Mr. Speaker, early in history the environment shaped what society was. Today, we all see that human activity is shaping the environment. We have to do something to change that. We can't do it with political parochialization. Mr. Speaker, you know it's fair comment when Councillor Gerbasi talked about sort of floating things around and where they're going to go based on what the whims of any government or other level of government might be or you know local needs; and we fight this challenge all the time. You know we need to stop trying to spend more money on an annual basis as well. We have to stop it. It's not about spending more money for the sake of optics. We've got to start making decisions on a proper asset management strategy at taking into consideration life cycles and where the life cycle of infrastructure is, making decisions based on priorities.

Mr. Speaker: Councillor Fielding moves extension those in favour? Opposed? Carried.

Councillor Swandel: Mr. Speaker, this is a budget that is done like all our budgets. It's budget by committee. I could stand up here, I could shoot holes through it, as I could have shot holes through any budget before this. As I could shoot holes in the operating budget. This is budget by committee. Is it Councillor Gerbasi's ideal budget? No. Is it my ideal budget? No. Is it Councillor Orlikow's ideal budget? No. Well, Plessis Road over here maybe, I'm sure we might hear from him in a minute. I guess just in closing I would say, Mr. Speaker that it's followed the principles of sustainability, we've worked with what we have and we continue to make Winnipeg what I consider to be the best city in Canada and I don't want to be a part of driving us down into being something less than that. Thank you very much.

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

Councillor Wyatt: Indeed this is a terrific budget Mr. Speaker! Allow me it elaborate. You know, Mr. Speaker, it's interesting. They say politics, you know the old expression, politics is like sausage making. You know, nobody actually likes to see the sausages being made but they like to enjoy them at the end of the day. So you know I mean that's, and you know, you see a little bit of that as you can see I'm more of a bacon and eggs man myself Mr. Speaker, but you can tell from there. But you know, Mr. Speaker, the reality is, you know it is the art of the possible. And I was, and it was great to hear so many of the speeches this morning, Mr. Speaker and I sat back and I listened to them. And you know I hear for example Councillor Steen, a new member of Council, who lobbied for a project that he knew he had to lobby for to get done and to get done soon in his Ward. The Panet and Molson 20, an upgrade, long overdue. Long overdue Mr. Speaker with the growth and development and the taxes we've taken from that growth and development but without reinvesting into his neighbourhood. He lobbied, he went to the Mayor, he went to EPC, he said I need this, I need to get this done, I need to get some funds in the budget to actually help do the design detail to make that happen, Mr. Speaker and indeed the funds are in the budget now. Councillor Sharma, who's lobbied aggressively in terms of the issue with regards to gravel roads, Pipeline Road, which is in the budget because of her work again coming to the Mayor, coming to EPC, saying that we need, this is what I need to get done, I need this for my constituents, it's a priority for my people. Mr. Speaker, that is the role we all play as members of Council, it's a role we should be play as members of Council, we are addressing these issues, this is a capital budget. This is looking after the needs of capital interests across our city. However in each and every ward we have specific needs we know of. Last year Mr. Speaker, I voted against the capital budget. However the year before, about three or four months after being tossed off EPC, I voted for the capital budget to remind this chamber Mr. Speaker, because I went to the Mayor and I said I need funds to do a project in my Ward, the Transcona Centennial Square, if then I know the Mayor recalls. A quarter of a million dollars, which is actually now leveraged Mr. Speaker, $2 million, nearly ten times the amount. We've already raised almost $600,000 from the private sector towards that project Mr. Speaker, which is being built. So it's a question, Mr. Speaker as a member of Council what you can get done. I know Councillor Gerbasi approached the Mayor to get the $500,000 in the budget, this budget Mr. Speaker, to renew the sidewalks on Corydon Avenue, to her credit, that she is spearheading. She spoke at a recent annual general meeting of the Biz and said that this is happening and good for her, it's part of a larger project over a million dollars to renew Corydon Avenue. This money is in the budget, she went to the Mayor and the Mayor made it happen, worked for her to make it happen because she, he understands as well as I think all Council understands, that the only way to that this city succeeds is if we work together and we help each other succeed, the City succeeds, Mr.

Speaker. It's as simple as that. We've also Mr. Speaker, in this budget, done other many great things. We have for the first time a line item which says $2 million. It's $1 million in the budget but it's actually $2 million, for design details for rapid transit so that we can finish the rapid transit corridor, Mr. Speaker. From the downtown right to the University of Manitoba and also begin the preliminary design details on the eastern quarter, Mr. Speaker, from downtown to east Winnipeg. Mr. Speaker. This is historic. We have never had this in the budget before in terms of having a separate line item just for this and it makes possible the actual motion that we have passed in the previous months, Mr.Speaker to actually put the rapid transit corridor at the top of our priorities, one of the top priorities in terms of capital projects. Mr. Speaker, I want to talk about other things that we are doing in terms of this budget which sometimes gets forgotten. We are investing Mr. Speaker, $9.4 million in 2012. An actual total, $43 million over the next six years in terms of upgrading our transit garages Mr. Speaker, and we need to do that because if we want to expand the transit fleet in the City and if we really believe in transit, rapid transit which I do, and I think the majority of…vast, I think everybody on Council does. We have to be able to have larger garages, our staff have hold us time and time again, they cannot expand the fleet without addressing the issues with the old garages, both North Main and Fort Rouge. And this money is actually doing that. For the first time Mr. Speaker in nearly 20 years, we increased the size of the fleet last year. We went from 535 buses to 545 buses. The fleet was actually cut in the 90s, Mr. Speaker down from 565 buses to 535. We're going back up again Mr. Speaker, to meet the demands of our city as we should and the challenges that we're facing. This is a huge investment by this Council. Mr. Speaker, we're actually investing over the next six years, $112.5 million to replace the fleet. Now some say well, that's maintenance you have to do that, well technically you could probably delay it a couple more years. You can probably extend the life even further than 18 years, but Mr. Speaker that would be irresponsible. It would be a cut but we are investing in the fleet as we should be, Mr. Speaker. We are also, Mr. Speaker, taking…I attended a seminar with the…put on by the transit, the Transportation Institute of the University of Manitoba a month ago and it was fascinating because one of the members of our transit staff spoke, Bill Menzies spoke at the seminar. Councillor Smith also attended. And he spoke about the innovative and intelligent transit systems ITS they call it that they're investing in our city and there was also members of other transit departments from across Canada at this conference and there was a member from TransLink, Vice president actually from TransLink which is the major transportation authority in the Lower Mainland of B.C. And he had a chance to speak after Bill Menzies and he got up and he said, "Winnipeg is doing amazing things. We aren't even close to doing what Winnipeg is doing right now in terms of ITS. And they were blown away Mr. Speaker by the innovations we're doing and I think sometimes we forget that things that we're doing in our city and how we're improving our transit system but in ITS alone Mr. Speaker, we're spending $4.65 million over the next six years to continue what has been pursued. Now Mr. Speaker, a lot has been made about the transit fare, the 20 cents, but put it into perspective Mr. Speaker. I know it's not in this capital budget but I just can't let it go. I have to just comment because they can maybe make a case that it is somehow related and if we can make that case out of this related for a minute, out of this entire Southwest Transit Corridor Mr. Speaker, is $438 million in today's dollars if fully billed out to the University of Manitoba, 438. We estimate that we're going to raise about 80 million, 85 million, from that 20 cent fare so Mr. Speaker, less than 25% of that entire cost is going to be borne by the riders. The vast majority of the ratepayers of the City are going to be bearing that cost, not to mention Mr. Speaker, the estimate in the Transportation Master Plan for the Eastern Corridor which I think is low, at $174 million to get to Lagimodiere. It's probably closer to $250 million, Mr. Speaker. So you add that in and the reality is we're investing huge amounts of money or planning to invest huge amounts of money to support projects Mr. Speaker, out of the general tax base and that's something that is easily forgotten. Mr. Speaker, There are many positive parts to this budget and I just want to quickly touch on them and that is the fact that…

Mr. Speaker: Councillor Sharma moves extension. All those in favour? Opposed? Carried.

Councillor Wyatt: Five years ago, six years ago, this Council was not investing over $3 million in parks and playgrounds. That's Mr. Speaker, over $200,000 per ward that is being invested in parks and playgrounds. Never was that being done before, that was zero before, Mr. Speaker. We're continuing with that funding, we're staying on track. We're renewing our parks and play grounds like we've never done before. We're increasing the size of the Community Incentive Grant Program Mr. Speaker, which we know community groups count west to leverage. Now it's over a $100,000 per ward, Mr. Speaker with a 2% increase going up with the rate of inflation. Mr. Speaker, we're talking steps in terms of even flower pots on Main Street and renewing the pots on Main Street to address a local issue that was heard by the Councillor in the area. We're, Mr. Speaker, we are actually going out and doing a major road project, called the Plessis Road Underpass twinning. Something that was in demand for years and it was an issue for literally decades but we are now addressing it and rightly so and a priority which by the way Mr. Speaker, just last month this Council voted for unanimously when the Clause that came forward on the very same item. Mr. Speaker, the big issue here, the issue that we know has to be addressed, is the issue in terms of funding from the higher levels of government, we know this. We've heard how much the Provincial Government brings in gas taxes for the Province and how little we get back. We've heard how much the Provincial Government's been making in terms of growth taxes, sales taxes, income taxes and how much they are giving back to the Province. The Provincial Government 13, 15 years ago said, "City of Winnipeg, clean up your finances then we'll talk to you." We've done it. The City, the Provincial Government now said to us, "Start borrowing to start spending more money", because you have borrowing room. We've now done that with this

budget. In the next two years Mr. Speaker, the tax supported borrowings is going to be more than double. Where is the Province, Mr. Speaker? What's their next excuse going to be to do nothing for the citizens of Winnipeg? The time has come. We need leadership from Broadway. The issue is not going to be solved until we have their support. Thank you.

Mr. Speaker: Thank you, Councillor Wyatt. Councillor Smith.

Councillor Smith: Yes, Mr. Speaker. I want to make it clear. I cannot support this Conservative budget from EPC. The Conservative members on the EPC have put forward a budget that doesn't really represent all of Winnipeg. You know, one is…well, we heard from Councillor Swandel talk about the rapid transit. He obviously didn't listen to the delegations that were here today. He obviously didn't hear that we're the only city in Canada that's paying part of rapid transit through the fare box. You know, all other examples of rapid transit have had support from the Federal Government and the Provincial Governments. You know, he hasn't heard that. Now, I want to tell, I want to talk about something else that hasn't been mentioned by anybody today. And that is traffic signal enhancement. You know, the Mayor made a big thing of this, we're going to make progress and having synchronization so that traffic would flow better. And nothing after 2000, just this year there's a budget for it but in 2013, 2014, 2015, 2016 and 2017, there is nothing. Now, can you assure me that we're going to have this synchronization take place and traffic will flow better through Winnipeg because of it? It's not going to happen with this budget. Now I'd like to also talk about basically road repairs. In Winnipeg this capital budget if adopted, would be spending a smaller share of tax supported capital budget on basic road work. I mean maintaining what we have. You know, Councillor Wyatt, I think it was in September, warned that the City may eventually have to close roads and bridges that are on the verge of collapsing. Well, you don't hear that now from him. He's on EPC with the other Conservative members, he's supporting this budget. Now, let me tell you this, lane renewal. We're not spending adequate on lane renewal. I've got the worst lanes in the City of Winnipeg. And there are bad lanes in…as well in Corydon and River Heights. You know, we…they obviously haven't dealt with this issue of dealing with the back lanes. Sidewalk renewals, 400,000 per each year. That's hardly adequate. Local street renewal, there's a drop of 2 million from 2013. Local thin bituminous overlays. Three million for every year. That's hardly adequate. Because what that issue's for is to save the roads. You don't let the roads go down so badly that you have to rebuild them completely. You know, why are we cutting?, Why are we having such a major sum spent there? Reforestation. Councillor Orlikow referred to this. You know, we have a number of trees being attacked by Dutch Elm Disease and we need to be spending more and we're not doing that. Now, how do we deal with our roads? Many American and European cities have found ways to pay for infrastructure without relying exclusively on property tax and we've heard of some of them mentioned today. Tolls, toll bridges. New levies on gasoline. Why are we not targeting the people who're using the roads to pay more for them? And that's encourage people to use transit. You know, let me also deal with libraries. You know in libraries, shelving and furniture replacement, 200,000 every year goes to 300,000 in 2017. You know, aging library shelving and furniture in Winnipeg branch libraries, the average age of Winnipeg branch libraries is approximately 50 years old and many of them have the same furniture as the day they opened. Obviously we have to do more. And in the library replacement, there is a drop of 20,500,000 in that. You know, obviously you have to go ahead and have nice libraries, nice surroundings. You know, it's obviously this Council or this Conservative EPC doesn't believe in libraries. So you know, it's…it's not a good capital budget. And don't get me wrong, there are some good things in it that I can wholeheartedly support. But overall, if you look at the old City of Winnipeg, the Wards like Point Douglas, my Ward, Daniel Mc, Jenny's Ward, Orlikow's Ward, you know, in these Wards you haven't had much maintenance of the roads, back lanes, et cetera. You know I walked down my street one day and in the summer and this fellow was cutting his grass and he said, "Look at the sidewalk. It was repaired with asphalt". I said, "How long has that been there like that?" He said, "Thirteen years." We're…you know, one thing I'm encouraged today, some of the members of EPC have actually said that this budget is not ideal and they point out some things that are wrong with it. But they should have the courage to vote against this budget and not just go along with the Mayor. Thank you.

Mr. Speaker: Your Worship, Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. Mr. Speaker, I think the first thing I would like to do is just a quick comment on the budget. For anybody to say this is not a good budget, I would obviously disagree with. This is not a perfect budget and Mr. Speaker there is no such thing as a perfect budget. That's to start off with. We all know…I can assure you that I can go around this entire chamber, Mr. Speaker, including yourself and every Councillor could tell me some infrastructure that has to be done that's long overdue. I don't think anybody would disagree with me, Mr. Speaker. That's just a fact of life. So let me just enlighten everybody. We said this before but no one wants to talk about it. Out of every tax dollar Mr. Speaker that comes in., out of every tax dollar, the Provincial Government gets 65 cents, the Federal Government gets 27 cents, the City gets 8 cents. That's a fact. That's just the way it is and I know Councillor Gerbasi will remember over a decade ago, when the Mayor then, along with support from several Councillors, fought for a greater share. We know where that went. Absolutely nowhere. I would also like to enlighten Councillor Smith on Executive Policy Committee, and the Conservative budget. Just for the record, Mr. Speaker, EPC is comprised of three Conservatives, two N.D.P., one Liberal, and one who doesn't fit in any box, Mr. Speaker, than is EPC. So please let's not put labels on anybody or anything. I was sorry to see that when both Councillor Vandal and Councillor Wyatt spoke

that every single delegation that showed up had already left. It might have been very enlightening for them to hear some of those comments but obviously that was not to be. Mr. Speaker, I've said over and over again, we need a share, a consistent share of growth revenue, and it's interesting because all the things that were mentioned, a vehicle tax, we asked for, we were told no. Greater share of the gas tax. We asked for it, we were told no. Name it, we've asked for it, we were told no. It's just a fact. It's been recorded over and over again. But, what I need to say is, Mr. Speaker, in order to address some of our challenges, we've taken on debt. So you know, it's funny, Mr. Speaker, you take on debt because you know about construction inflation. You know if you build it today, it's going to cost you a lot less than tomorrow, and yet we get criticized for that. If we don't take on debt, we get criticized for that. Some Councillors here are very concerned about the debt that we have. Let me share with them a couple of areas where we took on debt that they probably don't even know. Disraeli Bridge. We took on debt, Mr. Speaker because the Provincial Government did not give us the cash, they pay us over a period of time, we took on debt. The first phase of rapid transit for those who don't know, we never got the cash. Over a period of time we took on debt, Mr. Speaker. Ever hear anybody talk about it? No. City takes on a great deal of debt. What we want to do today different than 25 years ago Mr. Speaker, we want to take on debt that we know we can pay off, we have revenue sources, not so your grandchildren, your great grandchildren have to pay for it because they'll never get paid for. We're doing smart borrowing, Mr. Speaker. That's just a fact, that's a reality. I mean Mr. Speaker, how do you expect us to address $380 million every year because those are the numbers, Councillor Havixbeck talked about it, and other Councillors. That's what we need. We don't have that money. You're going to find it by increasing property taxes, where one point will get you $4.4 million? I don't think so, Mr. Speaker. I mean, the realities are, this is a good budget and I find it very unfortunate that there are Councillors who want to see their roads and their back lanes and their curbs and their sidewalks fixed up. Well, so do I. In every single one of the Wards Mr. Speaker, but you have to have the funds and that's what we're going to do in the future, to date it hasn't happened but it's something we must do. That's just the way it is, Mr. Speaker. We're dealing with reality. You can't ask to do everything when the money is not there. It's no different than running your home budget. There's a lot of things you'd like to do but if you don't have the revenue, Mr. Speaker, guess what? Something has to be put on hold. And you know, it's I very…I heard the comment from Councillor Smith which I know we fought for so many things, Mr. Speaker, and I'll remind all Councillors that it was yours truly, who worked with the Provincial Government for years to finally get our transit back to 50/50 wherefore almost 25 years, that was not the case. And when it comes to libraries which I think are important, Mr. Speaker, if you talk to the members on the Board, they keep on trying to work with the Province who hasn't increased the fundings for decades, Mr. Speaker. You know what? You can't point the finger at any one entity. We all need to work together. Council, Civic Government and Provincial Government, Federal Government, that's the only way this gets done, but to say you'd like to vote on the budget, but you can't vote on the budget because of certain things, you know look at the good things we're accomplishing. I mean last week Mr. Speaker, I was at two announcements in the same day about new recreational infrastructure, Sargent Park and right downtown on Main and Higgins, Mr. Speaker, two wonderful announcements. There are great things that are happening. The announcement just recently for Chief Peguis. I mean the realities are Mr. Speaker, and I will say this right now just for the record, okay. We all know what happened on Plessis Road, okay, and everybody has their own version but let me emphatically state, Plessis Road was one of the top priorities for our department. Not any Councillor here, our department had it listed, it was on the list, it went over to the Province, it went over to the Feds, that's the one they picked. It may not have been any one of the other Councillors but that's the one they picked. It's reality, it's fact and it's moving forward. Are there other great projects we want to do, Mr. Speaker? Yes, there's a whole list of them, Mr. Speaker. You knock them off one at a time, Mr. Speaker, one at a time, Mr. Speaker. So, the facts are, Mr. Speaker as I said, I have never, ever sat in this chamber and said, and I probably never will, that this capital budget is a perfect budget. But I do thank those who worked extremely hard on this capital budget to move the City forward, because right now we are experiencing a very positive, positive impact that basically everyone in the City is feeling. It's got to do with everything that's going on. It's got to do with the fact that we're building a brand new football stadium, that a brand new airport just opened up, the Museum for Human Rights, a brand new housing on Portage Avenue, Mr. Speaker. Can you believe it? Housing right on Portage Avenue in the Avenue Building. It was against the law not that long ago. You couldn't do that on top of commercial and youth development across from the MTS Centre with the hotel and commercial. In the very near future Mr. Speaker, God willing, mixed use at Polo Park site when the new football stadium is built.

Mr. Speaker: Councillor Havixbeck moves extension. All those in favour? Opposed? Carried.

Mayor Katz: There are so many good things happening Mr. Speaker, this will keep us on track and I urge Councillors, as opposed looking for the negative, look at the positive. You can't do everything right away, Mr. Speaker. I will be supporting the budget. And I thank Councillor Fielding.

Mr. Speaker: Thank you, Mayor Katz. Councillor Fielding to close.

Councillor Fielding: Thank you, Mr. Speaker. And I want to thank all the Councillors for comments. You know, there's a lot of comments out there that talked about some of the funding, the funding proposals. Some of the positive elements on this Council and the Mayor Katz indicated that. There's also people that talked about how we can improve the

budget, there's no questions about that, there's always nuances of where you can change or differences of opinion of where the dollars should be spent and how they should be spent. There's also a lot of concern of how we go forward. I don't think anyone in this Chamber disagrees with that. We need a road map forward that we can definitely count on but as the Mayor Katz indicated you know, I would like to point out some of the positive elements once again in this budget. Total streets are going up by 34%, $154 million being spent. You've got Plessis Road, you've got bridge projects at Sturgeon and Osborne that are happening here and road, local regional streets, you've got the Assiniboine Park, you've got new community clubs going in, you've got rec centres, you've got investments in pools and libraries. So there is some very positive elements and things and as the Mayor Katz indicated you can't do everything unless you have the funding sources that are there. Infrastructure deficit, I mean there's lots of talk about this in all points and quite honestly I'm tired almost of all the politicians kind of arguing back and forth and who's responsible and who's not. We know that work needs to be done. You look at the budget that we had in 2001, I think we were around $125 million in capital projects. This year we are almost triple that so there is money that's being spent. Lots of dialogue, Councillor Ross Eadie brought it up with some of the P3 funds that are there. Well, you know I can tell you that the P3 funds, P3 projects are very important investments. Councillor Browaty, so rightly indicated the benefits that we have with the P3s here on the roads earlier, I know you…I think you mentioned your son had experienced the road a lot earlier. So with all due respect, I think you are wrong, wrong, wrong on the P3 funds. I think it's a matter of how we spend our money more effectively, we're spending infrastructure dollars, we know that we're not getting enough money from the Provincial Government. We know that we've asked for whole bunch of funding sources you know, at the end of the day whether we need more authority to do these things on our own or not, the fact of the matter is we are trying to be as efficient as we can in terms of how we're spending the dollars. The asset management system is also something that's well under way. We anticipate to 2013, we'll take a look at that to spend the dollars where we want as opposed to just allocating dollars here and there. You've got to address the infrastructure that's there. Some other issues that happened brought up in terms of the library budget which I think is very much important. We are making some investments in St. Vital and St. Norbert in terms of the library replacement. What we talked about is in terms of the longer term library policy. We've asked Administration to review how we go forward with some of the funding. If you ask me I think what makes more sense in terms of recs and more is things that we've done at Henderson Library. Henderson Library, a long term lease in our respect, is the second most popular library in the City of Winnipeg bar none. I think we can do more and stretch our dollars a little bit further if we enter into some of the leases that are there so we've asked our administration to go forward. The project will be going ahead and how we decide to fund them. Councillor Smith also brought up some of the library funding and I do take exception of what you said in terms of the funding for library. I think on every operating budget over the last number of years, Councillor Pagtakhan has raised and has been kind of a champion on this, we continually added more money whether be for new technologies, new library books, there's new libraries that are coming on board, so to somehow say that we're not reinvesting when we are actually adding more and more money you know, in the amend process or anything else. I think if you ask the Libraries Board, they would indicate that as well. So I think that there has been some good, positive dialogue in that respect, too. You know, there's also been some talk from Councillor Eadie and others in terms of the Financial Management Plan that's been put forward. Well, I can tell you this is something that we worked on hard and I think if you look at the 90s and 80s, you know there is a whole bunch of money that was being spent. Well, we're borrowing and I think Councillor Swandel might have the numbers closer but I think that the debt that we had was borrowed at 9.5% something like that. There is more debt that is coming on that might be higher but it's somewhere around there so that debt is coming, you know…we're finishing off that portion of things. And yes, we are adding debt on but some of the longer term debt is at four and a half, five percent so I think it's a sustainable process. I can tell you; the analogy has been that this is some sort of a Conservative budget. I'll take that as a compliment first of all for the record just for the record. But I think that there is a strong management plan that's there. We're trying to address the infrastructure deficit that's there. I for one am not going to go out and spend money like it's going out of style unless we have a financial management plan that makes sense that's supported by our financial advisors that's supported by our bond raters. I just won't do it and that's just I think whether you call it a Conservative approach, I say a common sense approach to it. You know, I think it's just a step forward in terms of how we are going to do that. There is a…Councillor Gerbasi talked about a mobile library initiative that was there. You know, we did go through the process, we're looking at this mobile library. Well, turns out they're actually, this mobile library would go around to communities, they'd actually be giving out books. I think to certain extent if you keep the investments in the libraries that we have in place or put it into existing books that everyone can use opposed to giving out makes more sense and so that's why we took a look at that. Doesn't make sense to invest in the current libraries and so that's the decision which we made. Some talk about the transportation authority that's there, I'm interested to hear more debate; I know Chris Lorenc talked a little about that. I'm not 100% sure I'm there yet. I want to see how that's going to benefit and how that will impact our area but I think it's something, it is something obviously that other jurisdictions have tried so I'm interested to hear more on that. Transit fees, I wasn't at Council last meeting so I can't talk specifically about the merits one way, the other for it, but I do know we have put more money in terms of transit in this budget whether it be for a functional study on the rapid transit system, whether it be more buses on the street, whether it be a bus replacement, it's all part of the strategy going forward and they think it makes a lot of sense. There's also some talk in terms of the provincial responsibility and to certain extent I think, we've thrown out every idea we can. Some I've liked, some I haven't in terms of how we're getting revenue sources. I generally, you know most skeptical in terms of more revenues, I think

here at Council but to a certainly extent I think we're putting forth ideas that the Provincial Government and you know, we've been turned down all along, you know all along whether be gas tax, whether be a share of the P.S.T., or a percentage of it. You name it. There's been no room for growth in terms of this. And they have…they really have a responsibility, I think, to meet the needs here. I know that the Premier and their officials have been talking about us borrowing more money. Well, we have borrowed more money in this budget because we have to do. We're not getting any response from the Provincial Government on this. So I hope the Provincial Government sees that we are doing everything we can from our side of the equation in terms of investment and infrastructure that's there. We've been turned down consistently on this yet they're forcing us to spend money on the nitrogen removal plan, you know hundreds of millions of dollars. I personally don't get it but you know, I want to continue that dialogue with other levels of government to get more funding that's in place. And one final point in terms of the Transportation Plan as we go forward before we get a chance much to talk about this but as mentioned, you know deals come together quickly you know whether you have the Disraeli whether you have the Chief Peguis, you know we've got everything funded out that we need to in the short-term that's the 2016 and beyond. The middle range and longer term range, I don't think we need to have every dollar, every cent...

Mr. Speaker: Councillor Mayes moves the extension. All those in favour? Opposed? Carried.

Councillor Fielding: we're going to spend it because there's agreements whether you look at something like tolls which I think are more amenable to these days or taxing (inaudible) financing to fund some of these issues, I think on a one by one off one off basis, you can find agreements in their place to get the infrastructure done. So I think Mr. Speaker, just in conclusion, we are doing the best we can. We think this is a step in the right direction with the tools that we've been given and not given I guess from the Provincial Government in terms of this. There's some very positive elements in this budget and I encourage all Councillors to support this. Thank you very much.

Councillor Gerbasi: Recorded vote.

Mr. Speaker: Thank you, Councillor Fielding. All right. No further comment, recorded vote. All those in favour, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillor Browaty, Councillor Fielding, Councillor Havixbeck, Councillor Sharma, Councillor Steen, Councillor Swandel, Councillor Vandal, Councillor Wyatt and Mr. Speaker Councillor Nordman.

Nays

Councillor Eadie, Councillor Gerbasi, Councillor Mayes, Councillor Orlikow, Councillor Pagtakhan and Councillor Smith.

City Clerk: The vote Mr. Speaker, Yeas 10, Nays 6.

Mr. Speaker: Motion passes. We have a new capital budget for 2012. We will continue and just work out the agenda here for the next few minutes and then we will be done for the day. At this point Your Worship, we have a By-law 144 that you'd like to read into the record.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS – 1st READING ONLY

Mayor Katz: Thank you, Mr. Speaker. I move that By-law No. 144/2011 be read a first time.

Mr. Speaker: All those in favour? Opposed? Motion carried.

Clerk: By-law No. 144/2011.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS

Mayor Katz: I move that By-law No. 145/2011 be read a first time.

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

Clerk: By-law No. 145/2011.

Mayor Katz: And I move that By-law No. 145/2011 be read a second time.

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

Clerk: By-law No. 145/2011.

Mayor Katz: And I move that the rule be suspended and By-law No. 145/2011 be read a third time and that the same be passed in order to be signed and sealed.

Mr. Speaker: All those in favour? Opposed? Carried. And Councillor Mayes on his first day in Council moves that we adjourn. Roll call.

ROLL CALL

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

Council adjourned at 12:14 p.m.