COUNCIL OF THE CITY OF WINNIPEG
Wednesday, March 21, 2012

The Council met at 9:35 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 Steen.

ROLL CALL

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

INTRODUCTION AND WELCOME OF GUESTS AND ANNOUNCEMENTS

Mr. Speaker: Thank you, sir. We'd like to welcome our guests today who are in the audience, in the Gallery and we have a special presentation and we would like to invite Mr. Peter Martin and a delegation from Transcona to present an Honorary Chairmanship certificate to the Mayor in recognition of Transcona's 100th anniversary. Mr. Martin, Mr. Mayor.

Peter Martin: Good morning. Thank you. Good morning, Mr. Mayor, City Councillors. My name is Peter Martin I'm a co-chair of the Transcona Centennial Celebration Committee and with me today, Mr. Dave Stewart who's our communication and social media chairperson. Mr. Mayor, pleasure. Just before I make the presentation I'm just going to take a very short moment to give you a history lesson of Transcona for those who've never been to Transcona. Mr. Mayor has been there many, many times but some of you may not have been to Transcona and understand the history. In the early 1900s, about 1907, the CNR decided to build a major depot for the building, the maintenance and repair of their equipment and they looked for a location in the centre of Canada and they selected an open field, grassland area just east of Winnipeg. And they started construction of the CNR shops. And they required lots of workers so people from all over the world came to Transcona area, working on the shops to get their great job and to find a place in Canada to enjoy life, and that's how Transcona started. And grew and grew and grew until 1912, April the 12th exactly, Transcona became incorporated as a town. And it went through the last hundred years, through many phases, including becoming a city and eventually, becoming part of Unicity where it is today, enjoying the benefits of being part of the larger family of Winnipeg. But, Transcona, even though it's part of Winnipeg, has always maintained that small-town feel and appeal. And it's a feel that we continue with today and we feel very passionate about how Transcona is kind of unique, even though we're part of the big group, we still feel unique. There's families moving into Transcona every year because they find it's a wonderful place to raise a family. And, I just heard from an individual this week who said, "make sure you tell them that Transcona is also the benefactor of having the most active and loveable City Councillor in all of Winnipeg. (Laughter). According to Councillor Wyatt. Did I get that right, Councillor Wyatt? I hope I repeated the words adequately, Okay. We love our Councillor. We love the city and we love Transcona and this year is our centennial year, and in fact, April 12th this year we're having the official kick off with the Lieutenant Governor and many other individuals are coming to the grand opening on April 12 and the CN whistle which may not mean a lot to most of you, will be blowing in the CNR and hasn't blown for some 40 years so the CNR whistle will be blowing to honour Transcona's centennial. Very special year, we've got a great committee, lots of events, transcona100.ca identifies that all the events. Now, we really appreciate what has happened to Transcona as a result of our amalgamation with the city. The support has been phenomenal, and that's really why we're here today is to say to the city, thank you for all you do, all you continue to do and especially to His Worship, Mayor Sam Katz. Under his leadership and guidance, you are doing a lot for our community and I'll say on a personal note, the Mayor has come to three of our playground openings in Transcona and that really shows his visible support for the youth of our community and the people know that and they see him out there as we open our playgrounds up and the children are playing and they say he is there because he believes in recreation for our youth and gets them involved. So really appreciate that. So today I'm asking His Worship, Mayor Sam Katz, to accept our award, which is an honour, and it's to honour him as an official chairperson for Transcona centennial year, and it will mean the big event, the first of June, he'll be riding at the front of our Transcona Hi Neighbour parade, waving to the fans, well not like this, just like this, and enjoying himself and being part of our event throughout the whole year. So, Mr. Mayor, I'd like to present you with our certificate as Honorary Chair and I really appreciate you accepting this award.

Mayor Katz: Thank you very much. It's my pleasure. And I just want to thank you know the Councillor, I've often been told is actually the Mayor of Transcona for letting me participate, it's much appreciated. And I guess we're going back to the roots of Hi Neighbour Sam.

Peter Martin: High neighbour Sam. There we go! And Dave Stewart would like to present you with… this is compliments of the Transcona Legion where you can buy all our promotional material, compliments of them, it's a golf shirt. Apparently it will improve your game.

(Unknown): Thank you.

Peter Martin: So all the best, we'll have the

Mayor Katz: I'll try anything. (Laughter)

Peter Martin: And if the Councillor can join us, we'll have a…there's always opportunities for (inaudible), I believe

Mr. Speaker: Here we go. (Inaudible). There's no bill boards involved.

Peter Martin: Thank you for your indulgence and please feel free to visit Transcona.

Mr. Speaker: Thank you Mr. Martin, Mr. Stewart. We appreciate it. Good luck with your celebrations I' sure one way or another, we'll all be there over the next few months. I'd like to invite Councillor Pagtakhan to make a comment.

Councillor Pagtakhan: Thank you very much, Mr. Speaker. I just want to share with Council that today, March 21 marks the International Day for the Elimination of Racial Discrimination, an important day for all Canadians and people around the world. The United Nations designated this day in 1966 to commemorate a tragic event that took place on March 21, 1960 in Sharpeville, South Africa when 69 peaceful demonstrators were killed during a protest against apartheid. March 21 reaffirms, as stated in the United Nations Declaration of Human Rights, that we are born free and equal and reminds us that we have a role in protecting and promoting the human rights of all people. Canada was one of the first countries to support the UN initiative in 1966. I also wanted to remind this Council that on July 18th, 2007, Mayor Katz and Councillor Smith moved a motion that where the City agreed to join the coalition of municipalities against racism and discrimination. Over the last few years, the City of Winnipeg Citizen Equity Committee has extensively engaged various aboriginal and ethno-cultural groups and worked closely with our Public Service to ensure that our staff better reflects the rich cultural diversity within our city. And I also want to encourage the Mayor and members of Council to take in some of the film showcases this year on the March 21 Human Rights Film Festival. The City of Winnipeg is a partner sponsor for this event, with films being showcased in Carol Shields Auditorium and at the IMAX Theatre. Many of these film showcases address human rights concerns regarding issues of racism and social inequality. The festival aim to draw attention to those issues and to promote discussion, interaction and community connections. The films will also empower participation to reflect on important social issues; to share their thoughts and hear other points of view; and to take action for human rights and eliminating racism and their community and abroad. This film festival runs today, tomorrow and Friday, with short films and long films and all the panel discussions and films are free of charge. Thank you, Mr. Speaker.

MOTIONS

Mr. Speaker: Thanks, Councillor Pagtakhan. Before we move on, we have a leave of absence notice from Councillor Orlikow, granting Councillor Smith a leave of absence today from today's meeting due to a personal family matter.

Moved by Councillor Orlikow,
Seconded by Councillor Mayes,

That Councillor Smith be grant a leave of absence from today's meeting due to a personal family matter.

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

Councillor Swandel: I've just got a point of order and maybe I can get a little assistance from the Clerk. I see we have a couple of delegations here with Councillor Smith and Councillor Eadie's motion to do with the transit fare increases that have basically been dealt with through our budget meeting yesterday. Those increases were not part of the budget so it's no longer an issue for us. I'm not sure procedurally what we need to do but I suggest maybe we could suspend the rules and move that the motion be filed, then it would eliminate the need for the delegations to speak and move the day long a little better.

Mr. Speaker: Will of the Council, if you're in agreement with Councillor Swandel's comments, all those in favour say aye. Opposed? All right. We'll instruct the clerk to file the motion and we will at this point, not possibly require any comments from our delegations. At this point I'd like to ask Councillor Sharma to move the minutes of the February 22nd meeting. All those in favour? Opposed? Carried.

MINUTES

Councillor Sharma moves that the Minutes of the meeting held on February 22, 2012 be taken as read and confirmed.

DELEGATIONS

Mr. Speaker: All right. I guess we'll move into delegations and our first delegation today from C.U.P.E. 500, Mike Davidson and Brian Ellis, regarding amendments to the pension and disability plan trust agreements. Mike, if you'd like to join us. Thank you.

Brian Ellis: Good morning Mr. Speaker, Your Worship and Council. We…on behalf of Local 500, we'd like to thank you for the opportunity to appear before you this morning and speak in support of the administrative recommendation to amend the trust agreement concerning the City of Winnipeg employees' pension plan. We have a paper document circulating and my apologies for not having sent it out in electronic version. It's an oversight on my part that will be corrected unfortunately after the fact. The document that you have in front of you…I guess I should say at the outset that we appear speaking on behalf of the members of Local 500 that are participants of the pension plan although, having been in discussions with many other signatory unions we're comfortable that some at least of what we have to say today is echoed by others. And I want to spend a couple of minutes walking through the document. You'll see it's broken up into an executive summary, an introduction and then a series of bold headlines that I'll speak to it sort of one at a time. With respect to the overall executive summary, we believe that the reason Council should be supporting the changes to the trust agreement is that Council has already ratified the proposed changes to the contribution levels and the changes to the benefit levels back in July of 2011. And what is before you today is simply a change to a trust agreement that's required to implement the process that's already been agreed upon. By the way of background, it was some funding challenges with this pension plan as there was with any other plan. We went through a very lengthy process that covered at least two rounds of bargaining. Started in about 2009 when we started working on solving the problem. In 2011, a request was made by the trustees of the pension plan to the signatory unions and to the City Council, to grant permission to change the benefit levels and contribution levels to something different than what was contained in the trust agreement. That authority was granted in 2011. The trustees believe that what they were proposing was a better solution than what the trust agreement imposed on them and it got the support of a double majority of the unions in 2011 and of City Council. I'm also going to go into a little bit of background about why the City's plan is a good plan and why this solution is a balanced solution that should, I believe, get unanimous support of Council. The reason the trust agreement needed to be amended I've touched on already. The lengthy process that we've gone through, that led to some changes to contributions and benefits. Now, what happens from that is after that work is done, there is a joint committee consisting of three representatives of the trustees from the employer's side of the table, three trustees from the labour side of the table, and we spent countless hours working through the logistics of what it took to get the contributions or that to get the mix right in light of what had been ratified by the unions and by Council. And what was ratified was a gradual increase, half a percent per year over a four year period and then an immediate reduction in benefits to make sure that the books were balanced on a current service cost. Now the trust agreement gave the authority to trustees to do certain things but the costs of doing some of those things to make the books balanced was a little bit more than what we could do if we juggled things around in a different fashion. That's been done. What you have in front of you today is simply an implementation document based on what you've already agreed with. But I do think it's important to get a little bit of why we think this was ratified in 2011, so that it helps in today's deliberations. By way of planned design, there is ample evidence that the kind of plan that the City of Winnipeg provides to its employees is the most economically efficient way of delivering stable, secure retirement income over other plan designs out there. And at the back of the brief you'll see a couple of appendices. Appendix 1 is from C.U.P.E.'s web site, our national web site, that talks about the difference between the two and talks about the efficiencies of the defined benefit model. Appendix 2 is not put together by C.U.P.E. It's put together by an organization called the National Institute for Retirement Security and they quantify what we've been saying in pretty clear terms. They suggest that there is a 46% cost efficiency with embedded in the kind of pension plan that we deliver, over and above what would be delivered at the traditional other forms of pensions. And they say there is three reasons for it. The kind of plan we have is… avoids over stating. People have a pension until they pass away and that fund stays there. They stay forever young. There's new entrance going in and making contributions. And they have generally, a higher investment returns because the mix that they are able to go

into has a longer time horizon than the traditional defined contribution pension plan does and my purpose in raising that is by the very nature of the pension plan that the City provides to its employees, you're on the right track to keep to providing a retirement income in a cost effective fashion. We talk about the contribution rates and they are low by comparison, even with the increases that are coming in and we give some examples. In Ontario, we've compared, you know, some outside Manitoba plans of a municipal nature and in Ontario, the plan is funded at 10.4% and Regina already contributes 10.4 and they are facing increases and in Alberta it's 10.75% for employer contributions. Within Manitoba, the civil services plan is a 10 and a half and the teachers retirement plan is 14.3% so using those comparisons, going to a 10% contribution is low. It's important to note though that that 10% contribution also pays for a long term disability plan. If the raw pension costs were factored out of it the true costs are about 9% and the other one percent is for a LTD plan that's funded through the pension. Next section talks about pension costs and there's no question having a pension plan costs some kind of money and it costs employees to have a pension plan, it costs employers to have a pension plan. But, not doing it and not getting it right has all kinds of human resources implications that in many events, in many circumstances, we believe are more costly than the kinds of things that are…come about by having a well designed, effective plan in place. For instance, if you aren't able to attract people, there's a cost to not being able to attract talent and certainly we've heard from our trades folks within our jurisdiction that the reason they stay with the City of Winnipeg is because of the pension plan, most of them can pack up and go to other provinces and make 3, 4, 5, $6 an hour more than what the City of Winnipeg pays them. They don't, they stay because they know they have a retirement income that they can count on which doesn't occur in some, in the private sector in the oil patch and those kinds of areas. Other factors include being able to get people to exit the system at a time when they should be exiting the system. The last thing that…for an organization is to have a number of laborers who, shall I say, are working beyond their capacity to do the kind of work that it is that they're doing and that having folks needing to stay longer than they are able to do the work they do has costs for disability purposes, has costs for worker's compensation purposes and has costs for absenteeism. I also want to point out that while the employers have already agreed to help out, employees have put up even more towards making this balanced approach work than have employers. Both sides are making the same contribution increases, so the contribution rates for both sides are equal. They're putting up the same dollar value as employers are being asked to put up. But in addition to that, they've rolled benefits back by 4%. Some of those benefits that have been rolled back are at levels lower than what existed in 1999 and I'll give a few specific examples. I started with the City in 1985 and at that point in time the pension plan had a 75% cost of living allowance increase built into it. The new plan design doesn't guarantee that. The plan design put before you and dealt with today provides a 50% COLA rate for retirees on a go-forward basis. Secondly, the early retirement bonus has been amended, like the early retirement allowance, the magic 80 is mimicking the provisions that the Canada Pension Plan does. There's a provision for it to occur, but it's actuarially reduced if you take it before age 55. And thirdly the survivor benefit. What the survivor benefit is is a benefit where if there is a married couple and the pensioner is deceased, the spouse gets a survivor pension. And there was a supplement to that contained in this plan that existed prior to 1999. That benefit has been cut in half in order to make the plan sustainable. So, even when confronted with that reality, the reality that their pension benefits were going to go down substantially toward, compared to what the folks for a number of years have been relying on, unions voted with this because it's a balanced approach and puts the plan on a sustainable level on a current service cost basis. What I mean by that is the money with contributions going in matches the amount of pension that's being earned on any given year. By way of conclusion, while City does provide a reasonable pension for its employees and I say reasonable because it's certainly isn't the Cadillac pension plan that's been described frequently, it does so in a cost effective manner. It has…provides secure sustainable, reliable pension incomes. The proposal before you today flows from something that's already been ratified, and there is an unfortunate error in the brief. The brief says it was virtually unanimous among labour organizations to support as of yesterday, but as of and that was true as of the date that this was written, as of yesterday labour has unanimously supported what we're asking for. We think this is a balanced approach that deserves the unanimous support of this Council as well.

Mr. Speaker: Thank you, Brian. Mayor Katz.

Mayor Katz: Brian, thank you very much for being here and you know I'll just reiterate that when this came to EPC, I was supportive of it, and based on what you actually said, I believe your words were "balanced approach and sustainable". But I've seen this document for the first time and there is one phrase that actually concerns me and I'm hoping you can clarify. I believe I very much know the difference between "defined benefit" and "defined contribution". I thought that this was a "defined contribution" but I see the term "defined benefit" used throughout which is a big difference. Can you enlighten me on why it says defined benefit as opposed to defined contribution, please?

Brian Ellis: I certainly can. In fact, the City has two models that exist. This has what's properly…probably more properly described as a target benefit plan. A true defined benefit plan exists with one other bargaining unit that the City has and in a traditional defined benefit the employer is completely on the hook in the event that there is any shortfalls. This plan is a jointly trusteed plan where the powers of the trustees are limited by the trust agreement and the trust agreement allows for the trustees to do certain things. Under this plan it's…the fund goes up to a certain level, builds in a surplus and then any surplus over and above that amount goes towards -- half to the employee groups, half to the City. The only

way that that changes is through the process that's gone through this time again, which is if the trustees choose to do something different than what the trust agreement allows, it requires that the signatories to confirm it and in this case it's the Council, to ratify whatever recommendations change and a double majority of the signatory unions, a majority of unions representing a majority of the employees. The term “defined benefit” exists simply by way of reference in the sense that the benefits that people are counting on are defined within the trust agreement. It's not a defined benefit in the true sense that the employer is on the hook for any shortfalls. It doesn't exist in that fashion. It is a jointly trusteed plan where if there’s a shortfall, the trustees have certain powers to be able to deal with it. If they choose to ask the stakeholders to do something different than that, if the stakeholders don't agree their powers are restricted, what the trust agreement says if the shake holders do agree then that's what engaged this process last time around.

Mayor Katz: Okay, just a little further clarification. Defined benefit as I understand it, is very simple. It defines the benefits, and they are fixed and they’re not going to change regardless of how much money it’s going to cost. Defined contribution is you know what the contribution is but the benefits could change. Is that accurate from your point of view or is that not accurate?

Brian Ellis: It's exactly accurate.

Mayor Katz: No further questions of him.

Mr. Speaker: Brian, Councillor Mayes.

Councillor Mayes: Can you just clarify, I’m pleased to (inaudible) jointly trusteed plan, I think that's commendable for the City to be working with the bargaining units. Can you just clarify how the Canada Pension Plan aspect of this inter-relates, is the contribution level here and from the material. It's not clear but I assume the Canada Pension Plan contributions are built into that and the increases in those contributions are part of this or is it two separate entities, the employer plan and the Canada Pension Plan aspect?

Brian Ellis: The honest answer is they are connected but separate and I can go for an hour but I promise I won't. The contribution rates are based on two separate levels. There is a contribution rate below the yearly maximum pensionable earnings and a contribution rate for all earnings above the yearly maximum pensionable earnings. For all intents and purposes in today's dollars, that's about 50,000. I believe it's 50,100. The way the plan works with the CPP is that if somebody retires at the age of 65, it's a non-issue because they are eligible for CPP. If they retire before the age of 65 there is a an early retirement bonus that’s depending on their years of service and those kinds of things that gives them from the plan, the equivalent of what they would get from the pension plan plus CPP at age 65 and at the age of 65 that contribution, that additional contribution, is reduced by the amount of CPP and it’s funded based on differing contribution rates for the two levels.

Mr. Speaker: Question?

Councillor Mayes: Just to clarify, the employer contributions though at below 50,000 to use that as. The roughly 10% would include the CPP and above 50,000 you're out…you're not…you're…you've hit a maximum for the CPP anyway.

Brian Ellis: Well, the contribution rates are for this plan only but the 10% is the average of the two contribution rates. It's lower than that and higher than that above 50,000.

Mr. Speaker: Any further questions? Seeing none, we'll move on to the…thank you sir. We appreciate that. We'll invite Mike Davidson, our addendum delegation and you are speaking with regards to the ASD Committee.

Mike Davidson: Good morning everyone, good morning Mr. Speaker. On behalf of the members of C.U.P.E. Local 500, I regret that I must appear before you today in opposition to the recommendations before you. I'll begin by stating that our opposition is not based on any notion that our members do not provide a quality level of service to the citizens of Winnipeg in an efficient and cost effective manner. To the contrary we firmly believe that public services provided by unionized staff and provided by municipal governments directly are the most efficient method of providing services. Indeed over the years, we have provided this and previous Councils with numerous examples where we believe that significant savings could be achieved by reducing the role of the private sector in service provisions and bringing services back in-house. Rather our opposition can be best described as the fact that we do not have any reason to believe that the level of transparency necessary to secure the trust of all involved in such a process will exist. In fact, Mr. Speaker, we believe that there will be a concerted attempt to disguise the true cost for the private sector and an attempt to overinflate the true cost for the work that our members do. We do not come to this conclusion without sufficient cause. In the past two years we're advised that the Winnipeg Labour Council has submitted a number of requests for costs associated with the provision of public services by the private sector. And in each and every case, the requests were

declined and citing business interests as the reasons for not providing the information. We simply cannot and will not support a process that has been untested and risk putting our membership to the unfair and unreasonable expectations that they need to look at an internal efficiencies absent a true and quantifiable cost from the private sector. We do agree, however, that quality services should be provided in an efficient fashion, in an effort to test the process to see if such a level of trust can be reached and to ensure that all being held to the same standard we would propose that the process begin by costing out alternatives where we're bringing services back in-house appear to be much more cost effective than the current private sector model of delivery. Such examples would include, but not be restricted to, solid waste removal, street construction, traffic signal work and snow removal. Should these initial efforts be successful, looking at other areas may prove beneficial. In addition, we would recommend that the City of Winnipeg examine charging rent that market rates to privately run golf courses as a method of generating revenue rather than considering the sale of valuable public park assets such as golf courses. Finally, consideration should be given to attempting to reduce the cost of existing contracts with the private sector by $15 million per year, to ensure that services continue to be provided. The proposed vacancy management model for finding this money will do nothing but erode the level of service and the citizens of Winnipeg deserve to have this continual cycle stopped. On one last note, our local has a proud history Mr. Speaker, of working with management and politicians in the City to find creative ways to provide the services that we need. Compressed work weeks, flexible shift arrangements and other mechanisms have all achieved these ends. We will continue to work with these types of initiatives but where we feel compelled to point out that unions do not bid on the work that its members do. The recommendation, this recommendation shouldn't enshrine the obligation of the administration and management of the civic workforce to work towards better methods of operation rather than asking unions to bid for work that their members already perform proudly. So I thank you for your consideration and if we need to have a discussion, I think that it's important that we do that. I would also like to add, Mr. Speaker, that I think maybe one approach to this would be that maybe the Mayor's office and the CAO and a staff at our end, maybe myself or the regional director and a staff, we sit down and have more of a discussion and perhaps even maybe table this motion if possible to revisit it at some point in time but before we move forward with the decision, perhaps today. We could have a discussion take place.

Mr. Speaker: Questions. Councillor Gerbasi.

Councillor Gerbasi: Thank you for your presentation. I'm just wondering, the budget we just approved yesterday includes $2 million of money in this year, this calendar year, that has to be found in contracting out. I guess I'm wondering have you been made aware of what areas within your staff that you represent, that this contracting out is even being looked at? Have there been discussions about this? Because you know, it talks about doing this in consultation with you. I'm just wondering if that's been taking place.

Mike Davidson: We haven't had any discussions with any department heads on any areas that have been cited for contracting out. My experience in the past has always been if we've come to an area where it was an area of concern where contracting or possible contracting may occur, say for example in building services, we've worked with the administration to try to resolve that issue. We've got you know, lots of examples that we could use for that that the local throughout history has done that. So to our knowledge right now, I can't say to you that yeah, we've been informed that this exact area is going to be contracted out. I would hope before that ever takes place that we would do that our history's always done. We would have a discussion on that and try to resolve it.

Mr. Speaker: Any further questions for Mike? Seeing none, thank you, Mike.

Mike Davidson: Thank you very much.

Mr. Speaker: I appreciate your presentation. That concludes our delegations and we will move into reports and we are looking at the report from Executive Policy Committee for February the 29th. Mayor Katz.

REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED FEBRUARY 29, 2012

Mayor Katz: Mr. Speaker, I'd like to introduce the report and move adoption of Consent Agenda Item 1.

Mr. Speaker: Seeing no requests for discussion, all those in favour? Opposed? Carried. Report of March 7th, Mayor Katz.

**REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED MARCH 7, 2012**

Mayor Katz: I would like to introduce the report and move adoption of Consent Agenda Item 1.

Mr. Speaker: All right. Go ahead.

Item 1 - The Winnipeg Civic Employees' Benefits Program and Amendments to the Pension and Disability Plan Trust Agreements

Mayor Katz: Mr. Speaker, I'd love to hear what the Councillor has to say and then of course I would try to address and answer any questions.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: I just want to stand this down to make sure…I've, we've talked about this at EPC and we've talked about it previously. I didn't support this, although I support in principle somewhat what we're doing here. I think we're going a bit too far. There's no process for reclamation here is the problem. I'm pretty sure this will pass anyway so it got through EPC and I'm sure the rest of the Councillors will support this, but I just want to make sure that everybody understands what we've done. This is a 25% increase in the contributions that we're making to the pension plan. The citizens of the City of Winnipeg for not just C.U.P.E, C.U.P.E. is the one that's represented here but all the pensions that are members of this trust, this pension trust, the Civic Employees' Pension Trust. Prior to us doing this, there was surpluses for both the city and for the employees in these funds. The old agreement said that we would use those surpluses if we're ever in the actuarial possession where we needed to come up with extra monies to ensure that the program was viable that those surpluses would be used and drawn down and we go up to a maximum of 8% contributions because we were actually, we were taking a holiday. You know, I think the City was paying about six or six and a half percent before, 6.71 I think is a number that rings a bell. And if we ended up in some difficulties, we would go up to a maximum of 8%. And after both sides had gone up to a maximum of 8% then the benefits would start to be shed. One of the things that the plan didn't contemplate was that in shedding benefits, was that we would be impacting current retirees or employees that were about to retire which is where I think we have an obligation to step in where we have these difficulties. And we're on…more than willing to step in to ensure that those people who worked a long time and are on pensions right now that we're not changing their life at the snap of a finger by changing benefits and so I'm more than willing to do that and more than willing to see that we look after the people that have worked hard to build these pensions and that they gain from them the value that they put in and I'm willing to help a bit to ensure they get that. Where I draw the line is when the program becomes whole again. And perhaps when surpluses start to accumulate again, that's where I draw the line. I think it's…we're representing all the citizens of the City of Winnipeg here and I think it's incumbent on us to make sure that we give back to the citizens of the City of Winnipeg for that hand up that we gave in the bad times and that before we keep carrying the same benefits when surpluses are being accumulated, that that responsibility shifts back to the employees from the citizens of the City of Winnipeg. That's the employer. It's not us, the City Council, it's the citizens and the taxpayers of the City of Winnipeg. So that's why I don't support this. I understand that we're a long ways into this process and we're pretty well…we're pretty well all the way in, but I…this is just one of those places where it's a position of fairness for me. I'm more than willing to help and to fight to make sure that we help, but I want to make sure that when times are good again and times will be good again, that we go back to where we were, not to continue to do what we're doing here. And the representation this morning was that benefits have been shed. That's true, benefits have been shed. Some of those benefits were previously paid for by the surpluses of the employees not for the City of Winnipeg and there are some…there is some shedding that's within the contract as well where it would've been the responsibility of the City of Winnipeg. But the overall argument, you need to look at the whole picture and get back to the point where we were at and I think we're giving a lot away here when you consider that a 25% increase in pension contributions, I think it's in excess of $10 million annually. I don't know that that's accurate but I think salaries in the City of Winnipeg are over $300 million. I don't know how much more than that. But they are a large amount and so this is a big chunk of money and I just want everybody to understand the decision that they're making here is giving more in the long run than just being helpful in the short-term.

Mr. Speaker: Any further comments? Call the vote? Okay. Mayor Katz.

Mayor Katz: Mr. Speaker, I would just like to number one, thank the Councillor for bringing up those issues and believe me, I very much understand exactly where Councillor Swandel is coming from and just to reiterate. I believe going by memory, the vote at EPC was 4-3 so you can see there were different opinions and I very much concur with the fact that there is a 25% increase. We're going from 8 to 10, which is 25%. By the same token, the unions are actually going 75%. They're going from 8 to 14, so you can see there definitely is a balance between who is making these contributions and

you know, most economists don't think we'll ever get back to those good times but I think we all believe at some point in time they will happen and if and when they do happen, we do have the opportunity like we've done in the past, to take a holiday and not continue so that option is there. I know the specific concern of the Councillor is what the other side of the equation will do and I understand that concern. But you know what? This whole negotiation has been done in good faith. We've all been open and honest, and I very much want to keep that going and as I say I think there is very much a balanced approach to this and on top of that, I think we all know the challenges we're facing with pensions, specifically, ones that are defined. So, I will be supporting this, Mr. Speaker.

Mr. Speaker: No further comments? All those in favour? Opposed? Record the vote, Councillor Swandel? All those in favour?

A RECORDED VOTE was taken the result being as follows:

Yeas

His Worship Mayor Katz, Councillors Browaty, Eadie, Gerbasi, Mayes, Orlikow, Pagtakhan, Sharma, Steen, Vandal, Wyatt, Mr. Speaker Councillor Nordman.

Nays

Councillors Fielding, Havixbeck and Swandel.

City Clerk: The vote Mr. Speaker, Yeas 12, Nays 3.

Mr. Speaker: Motion passed. Moving on to the report from March the 14th. Mayor Katz.

**REPORT "A" OF THE
EXECUTIVE POLICY COMMITTEE
DATED MARCH 14, 2012**

Mayor Katz: Thank you, Mr. Speaker. I'd like to introduce the report and move adoption of Consent Agenda Items 1 to 4.

Mr. Speaker: Seeing none. All those in favour? Opposed? Carried. We have a walk-on today of March the 21st. Mayor Katz.

**REPORT OF THE
EXECUTIVE POLICY COMMITTEE
DATED MARCH 21, 2012**

Mayor Katz: I would like to move that the rule be suspended and that the report of the Executive Policy Committee dated March the 21st of 2012 be considered.

Mr. Speaker: Okay, we have to suspend the rule. Yes?

Item 1 - 2012 Mill Rates for the Education Support Levy and Special Levy.

Mr. Speaker: All those in favour of suspending the rules to deal with this? Opposed? Carried. Mayor Katz.

Mayor Katz: Mr. Speaker. I would like to move that Item 1 be adopted.

Mr. Speaker: Item 1, no comments? No…seeing none, all those in favour? Opposed? Carried. All right. I guess we'll have two motions from numbers one and number four. I'm sorry? Okay. We will be laying both these motions over to the next Council meeting and we will deal with them in April.

EXECUTIVE POLICY COMMITTEE
MOTIONS

Motion No. 1
Moved by Councillor Sharma,
Seconded by Councillor Havixbeck,

WHEREAS the Centre Port development could ensure the future success of Winnipeg as a major trading and commercial centre for Canada and North America;

AND WHEREAS a major component of Centre Port's development has been focused on improving road access in and around the Centre Port Lands, specifically with upgrades to the Perimeter Highway, Inkster Boulevard and the construction of the new Centre Port Canada Way;

AND WHEREAS based on the fact that the Provincial Government has spent over $200 million of federal infrastructure dollars on road access improvements for Centre Port, Centre Port represents a high public policy priority for the Government of Manitoba;

AND WHEREAS a completed inner ring road system, as documented in the recent Transportation Master Plan and previously documented in the Mayor's Trade Council Report, is crucial to both the development of Centre Port and securing Winnipeg's future status as an ongoing centre for trade and commerce in North America;

AND WHEREAS the completion of the inner ring road will divert truck traffic that presently rely on existing regional roads which pass through Winnipeg's centre and impact older neighbourhoods such as Elmwood, St. Boniface, the West End, West Kildonan, the North End, and Downtown Winnipeg;

AND WHEREAS for the Chief Peguis Trail to be fully effective as one of the main transportation routes for Centre Port, the Trail's transportation infrastructure must first be built so as to connect into the Route 90 transportation system;

AND WHEREAS the Chief Peguis Trail, from Main to McPhillips, is in the Transportation Master Plan under the Medium-term timeframe (by 2021) at an estimated cost of $110 million and the Chief Peguis Trail, from McPhillips to Route 90, is in the same Plan under the Long-term timeframe (by 2031), with an estimated cost of construction of $130 million;

AND WHEREAS plans are now underway for 'Ridgewood' in Charleswood, a new housing development on an estimated 900 acres of land that will create new property tax revenues for the City of Winnipeg, enhance an existing older neighbourhood (Charleswood), and provide housing to a growing city by building infill development rather than suburban sprawl;

AND WHEREAS that a prerequisite to facilitate the Ridgewood development reduce existing traffic issues will be the construction of the William R. Clement Parkway, from Grant to Wilkes, providing this development with its main source of ingress and egress to Winnipeg's regional street network and helping to fulfill the goal of completing Winnipeg's inner ring road system with its strategic importance to the Centre Port Project and other will support the retail and commercial development in the area;

AND WHEREAS the William R. Clement Parkway, from Grant to Wilkes, is in the Transportation Master Plan under the Medium-term time frame (by 2021) and at an estimated construction cost of $60 million;

THEREFORE BE IT RESOLVED that Winnipeg City Council amend the Winnipeg Transportation Master Plan by moving up to the Short-term timeframe schedule (by 2016) the following projects:

i) Chief Peguis Trail - from Main to McPhillips - a total estimated construction cost of $110 million
ii) Chief Peguis Trail – from McPhillips to Route 90 – a total estimated construction cost of $130 million
iii) William R. Clement Parkway – from Grant to Wilkes – at total estimated construction cost of $60 million.

Councillor Vandal: Order, Mr. Speaker? I'm wondering why in Motion 1, it has on the top it says "reference EPC" should that not be Public Works?

Mr. Speaker: One. Pardon? With reference apparently to the capital budget?

Councillor Vandal: No, it's with reference...

Mr. Speaker: But if you'd like it moved over to…

Councillor Vandal: It's reference to the Transportation Master Plan which was heard by Public Works originally. So I'm just saying the reference should go to Public Works. It's a minor point of order.

Mr. Speaker: Fair enough, okay. We will move it in that direction.

(Inaudible)

Motion No. 4
Moved by Councillor Eadie,
Seconded by Councillor Gerbasi,

WHEREAS crime, including violent crime, has been a major concern for residents of Winnipeg;

AND WHEREAS the Winnipeg Police Service has grown to be one of the largest parts of the City of Winnipeg's operating budget;

AND WHEREAS all City Councillors have a stake in hiring the Chief of Police;

THEREFORE BE IT RESOLVED THAT the City Organization By-law No. 7100 / 97 be amended to ensure that the appointment of the Chief of Police be done by Council in the same fashion as occurs with the City's other statutory officers.

Required to Stand as Notice of Motion in Accordance with Rule 17.1 of the Procedure By-law

Mr. Speaker: We're done. Yeah we've moved it forward. We'll just change the reference on one to Public Works. By-laws, Mayor Katz, we have a few by-laws.

EXECUTIVE POLICY COMMITTEE
CONSIDERATION OF BY-LAWS

Mayor Katz: Thank you, Mr. Speaker. I move that the following by-laws be read a first time. By-law No. 56/2012 and By-law No. 57/2012.

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

Clerk: By-law No. 56/2012 and By-law No. 57/2012.

Mayor Katz: And Mr. Speaker, I move that by-laws numbered 56/2012 and 57/2012 be read a second time.

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

Clerk: By-laws numbered 56/2012 and 57/2012.

Mayor Katz: And I move the rule be suspended and by-laws numbered 56/2012 and 57/2012 be read a third time and that same be passed in order to be signed and sealed.

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

Mayor Katz: Mr. Speaker I have one more item on by-laws.

Mr. Speaker: Do you? Okay.

Mayor Katz: If I may, Mr. Speaker.

Mr. Speaker: Go right ahead, Mayor Katz.

Mayor Katz: I'll move that the rule be suspended and the following bylaws be read a first time By-law No. 58/2012, a by-law of the City of Winnipeg to fix and impose taxes to raise the amount required in the year 2012 by the Public Schools Finances Board of the Province of Manitoba for educational purposes as well as By-law No. 59/2012, a By-law of the City of Winnipeg to fix and impose taxes to raise the amount required in the year 2012 by certain school divisions for school purposes.
Mr. Speaker: All those in favour? Opposed? Carried.

Clerk: By-law No. 58/2012 and By-law No. 59/2012.

Mayor Katz: And Mr. Speaker, I move that by-laws numbered 58/2012 and 59/2012 be read a second time.

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

Clerk: By-laws numbered 58/2012 and 59/2012.

Mayor Katz: Mr. Speaker, I move that the rule be suspended and by-laws numbered 58/2012 and 59/2012 be read a third time and that same be passed in order to be signed and sealed.

Mr. Speaker: All in favour? Opposed? Motion carried. Now it's time for question period.

EXECUTIVE POLICY COMMITTEE
QUESTION PERIOD

Mr. Speaker: Councillor Gerbasi. Through me to the Mayor.

Councillor Gerbasi: Yes of course. Thank you. Mr. Speaker, we are all aware that the Mayor has sent a letter to the Province asking for a share of Provincial revenue sources. I checked with our C.F.O., and he confirmed that every single source of revenue asked for involves asking the Province for a share of revenue that they are currently collecting and using in their current budgets. One of the sources is from Hydro but the other ones are currently…everything else is directly funds they are using to pay their current bills and currently they have a billion dollar deficit and are struggling, so the Province has pretty much said no to the request already as far as I understand, but maybe that's still possible, but my question to the Mayor is, are you prepared to ask the Province to enable new forms of dedicated revenue for infrastructure that are essentially new levies over and above current Provincial revenue that they're collecting?

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, through you to Councillor Gerbasi, I thank her for asking the question. Just a little bit of history Mr. Speaker. That was an accurate statement other than there was the scenario with Hydro. As most people here may not know, is that when the Hydro came into effect, they are…land they utilized services, which is City of Winnipeg land, and those property taxes have stayed the same for as long as you and I have been on this earth Mr. Speaker. There's been no changes to it whatsoever. Checking with other cities in Western Canada, Regina, Saskatoon, Calgary and Edmonton, they are charged significantly more and we could easily be raising, just using a similar formula of another 21 million. That would be new. Number two is that the Federal Government is also facing a significant deficit and yet they have committed to all cities and municipalities, one, to refund the G.S.T. and to give us a share of the gas tax. So to be very frank with you, there's no reason that we could not get a $10 million refund on our P.S.T. In addition to that Mr. Speaker, not only yours truly, but I can tell you right now that the A.M.M. and many other groups have talked to the Provincial Government and if they feel they're not in a position to take money out of there, only they have the power, only they have the power, to increase any of those levies, taxes, whatever the case may be and that's a decision that they would have to make, and if the Councillor is asking would we be open to that? Absolutely. But that's a decision that the Province has the power. We don't have that power. But if they come up with the idea of increasing the gas tax and that money comes directly to us to be used exclusively, exclusively for infrastructure, I'd be dancing in the streets and hopefully with Councillor Gerbasi.

Mr. Speaker: Second question.

Councillor Gerbasi: Sounds like a happy day. Given the Transit fare approach to specifically fund Transit didn't work out with our funding partner, would you support at this point asking our Public Service to identify and evaluate other revenue options such as taxes on parking lots, road tolls, or additional levies on gasoline, whether they require talking to the Province about permission to do those things in order to find other options to fund Rapid Transit.

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, on a regular basis, the C.A.O., the C.O.O., the C.F.O. and the Administration are always looking for opportunities, you know, for revenues. And the reason they're doing that, because unlike other levels of government Mr. Speaker, we need to balance our budget, so we need the revenues to pay for the expenses. So the realities are, that is on-going. If someone finds a pot of gold at the end of the rainbow, I'd be happy to entertain what Councillor Gerbasi said, but so far we haven't found that pot of gold Mr. Speaker.

Mr. Speaker: Last question?

Councillor Gerbasi: My last question just on a different issue, in a previous meeting Mr. Speaker, the Mayor stated that if the Water Park Project wasn't announced very soon, that the $7 million set aside from 2005 or whenever it was, would be freed up to be used elsewhere, and my question is, would the Mayor advise where the $7 million will be going or what is the process for deciding where it goes and, you know, it's $7 million. It'd be nice to know where that's going to go and what process and that it is a fair process.

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, through you to Councillor Gerbasi I thank her for the question. I think I've addressed it in the past but I would be happy to do it again. As I've mentioned I believe in the very near future, and by near future I'm hoping within the next two weeks, that the Administration will let us know that there is, or is not, a proponent that's ready to move forward. If there is a proponent, they'll prepare a report. We would obviously have a Council seminar; it'll flow through the normal process. If there isn't a proponent and we're not moving forward with that Mr. Speaker, then that would go back into recreation. I can assure you I can think of many areas in the City of Winnipeg that could use a first class facility, you know, whether it's the North End Mr. Speaker, whether it's Point Douglas. Look anywhere in the City, we're looking for recreational first class facilities. That would be my thinking Mr. Speaker, but in the end, obviously Council will have the ultimate say.

Mr. Speaker: Thank you. Councillor Mayes. First question.

Councillor Mayes: Thank you Mr. Speaker. Following up on some comments that were made yesterday and some emails I received last evening, I just wanted to ask the Mayor to confirm for the public the issue of the closure of the police stations. The suggested closure, potential closure, however you want to say it, in Councillor Browaty's ward and my ward, continue to get people concerned about that. We are having public consultations: the 28th in Councillor Browaty's ward and the 29th in mine. And I want to thank Councillor Havixbeck who emailed me yesterday and said, look, the Police have a report on this and obviously it's under her jurisdiction for her Committee, so she had some interest in the matter. But could you just re-assure the public and the people in the Wards that no decisions have been made on this yet, that it's still an item that's up for discussion. It wasn't something we voted on yesterday, the closure or non-closure of those stations, and we are going to have a consultation process and come back and take a look at this.

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, through you to Councillor Mayes, I thank him for the question and you know sometimes unfortunate things happen. I can tell you like many members of Council, I heard about the potential closing of community service police facilities through the media. I heard the potential discontinuing of the horse patrol through the media. I actually heard that one or both of these, you know, one in particular was related to the budget which was the closing of the facility in the media which is totally false. There's no correlation whatsoever, and I've already gone on record saying that I'm not supportive whatsoever of discontinuing the horse patrol. So number one, totally separate from the budget, there will be a process and I will share with Councillor Mayes right now. After hearing this in the media, I did ask for a briefing and I did get a briefing and a report, and I'm sure Councillor Mayes and Councillor Browaty will both be getting the same thing if they haven't got it. If they haven't got what I got already is that there was an audit done that showed, according to W.P.S., that the usage of these two facilities was way down, was way down, and that officers were sitting there doing very little and the idea they came up with was to get those officers out onto the street and that was their recommendation, and the reason it went down because most people today, when they're filing a report, an accident report, they don't go to these facilities, they now go straight to M.P.I. You can also do it on-line as well and if there's

officers sitting around not doing anything, I think everybody would want them out on the streets, but that's the report that's come forward. It was based on that report. They came up with this recommendation, and I know that there are several Councillors that are not aware of this and may not be in approval of it, but yes there will be a definite process. No question about it.

Mr. Speaker: Second question? No? Any further questions for the Mayor? Seeing none, we'll move on to our next Standing Committee which is…there's no report from Downtown Development, Heritage and Riverbank Management. Any questions for that Committee? Seeing none, we'll move on. Standing Committee for Property and Development, the March 6th meeting. Councillor Browaty.

REPORT OF THE
STANDING POLICY COMMITTEE ON PROPERTY AND DEVELOPMENT
DATED MARCH 6, 2012

Councillor Browaty: Thank you very much, Mr. Speaker. I'd like to introduce the Report of March 6 of and move as Consent Agenda Items No. 3, 4 and 6 and I'd also like to advise that No. 5 has been laid over by Executive Policy Committee to the April 18th meeting.

Mr. Speaker: Three, four, six, All right. Okay, so we're looking at 4 and 6…oh, okay. So 6 just got pulled, so we're looking at Consent Agenda Item No. 4, Item 4, all those in favour? Opposed? Carried. Councillor Browaty. Would you like to…okay. Sure.

Councillor Browaty: Sure.

(Inaudible)

Councillor Browaty: Thank you very much, Mr. Speaker. I'd just like to advise that there were two motions before you today No. 2 and No. 5. Our public service has been working very, very diligently on this particular one with the applicant and as a result there have been some sort of…there's been a number of last minute changes to this. So Motion No. 2 is actually being replaced by Motion No. 5 here to modify Item No. 1. I'd like to…so throw 2 out, 5 is the current one (inaudible). All right, first of all, this Council…

Mr. Speaker: Just to be clear. No. 2 has been withdrawn.

Councillor Browaty: Two's been withdrawn. Thank you, and five replaces it to be more clear.

Mr. Speaker: Go ahead, Councillor.

Item 1 – Subdivision and Rezoning
1326 and 1330 Ravelston Avenue West – DASZ 11/2011

Motion No. 5
Moved by Councillor Browaty,
Seconded by Councillor Wyatt,

THAT Item 1 of the Report of the Standing Policy Committee on Property and Development dated March 6, 2012, be amended as follows:

1. That Recommendation 1.A.iv. be deleted and replaced with the following:

iv. Delete Condition 26. and replace with the following:

"26. Prior to the issuance of any building permits for housing within the subdivision, the Developer shall, at no expense to the City, construct a10-m-wide, 200-mm- thick portland cement concrete pavement and all related works, including, but not limited to, sidewalk on the south side, ornamental street lighting, boulevard landscaping including trees on the south side and sod on both sides, drainage facilities, and asphaltic concrete transitions to the existing roadway at either end, in Ravelston Avenue West, from Peguis Street to the proposed street in the Planned Area connecting to Ravelston Avenue West - all as determined by, and to the satisfaction of, the Director of Public Works. The Developer shall be responsible for installing

a pedestrian activated lit corridor in Peguis Street at the new east – west road into the Planned Area with proper left turning lanes; and for traffic signals at Peguis Street and Ravelston Avenue west with proper left turning lanes, all as determined by, and to the satisfaction of, the Director of Public Works."

2. That the following be added as a new Recommendation 1.A.viii.

viii. Add the following as new Conditions 5, 6 and 7. under "A. Plan Considerations"

"5. The Developer amend its plan to include a 1 ft (0.3m) development control strip across the most southerly new east - west street in the Planned Area at its western terminus."

6. The Developer amend its plan to include a 1 ft (0.3m) development control strip across the most northerly new east – west street in the planned Area at it most western curve in the street.

7. The Developer amend its plan to include a 1 ft (0.3m) development control strip across the most northerly new east – west street in the Planned Area at its most eastern curve in the street across the frontage of the three (3) lots. Said control strip to revert back to the developer two (2) years from the date the by-law is passed for File DASZ 11/2011."

3. That Recommendation 2.A.v. be deleted in its entirety and replaced with the following:

v. That the Developer shall erect a uniform wood fence (2 metre in height) within the rear yards of all single family or two family lots except those lots abutting the drainage ponds and plans shall be submitted showing the location and design of the proposed fencing to the Director of Planning, Property and Development and the East Kildonan-Transcona Community Committee for plan approval prior to the issuance of any building or development permit. Future owners of the individual building lots along this fencing shall be responsible for maintaining this fencing to the satisfaction to the Director of Planning, Property and Development.

Councillor Browaty: This Council not too long ago approved the Transcona West Structure Plan. It was a very wide, broad community process that developed and actually brought many, many years later, Transcona into the City of Winnipeg. We hear today that Transcona is celebrating a hundred years. It joined Unicity in 1972. Now Transcona is physically going to join the City of Winnipeg. There was a lot of development challenges for a large track of Transcona West. Lots of areas were never properly commercially developed and the services weren't there. Since this motion was filed, since the original development application was filed last June at East Kildonan Transcona Community Committee, our Public Service, in fact this one was led by COO Deepak Joshi, I found a way working with multiple partners in this area to make this development make sense. There were scenarios where at one point, Almey is going to be left open and a new subdivision would start using it. We would've had subdivisions using gravel and unpaid roads. We would've had another situation like I experienced in my ward up on McIvor Avenue. Again I'd like to thank many members of the Public Service for their involvement in making this development make sense and the patience of the various developers involved. So that's my introduction.

Mr. Speaker: Comments, questions? Councillor Wyatt.

Councillor Wyatt: Thank you, Mr. Speaker. First of all, maybe I'm just going to address the motion before the amendment. The original report first of all, Clause 1, No. 26 being amended under No. 1, the original report called for roundabouts at locations of intersections of the Ravelston and Peguis and the new east/west connection also onto Peguis. There was discussions between the City and the developer and also with the Public Works folks and it was concluded that the more effective and less costly avenue would be…there is no cost to this for the City by the way, Mr. Speaker is to have a traditional intersection. One would be one with…is required to be lit in terms of being a traffic light intersection being Ravelston at Peguis, this is what this is referring to. The other one does not require traffic lights other than just a lit pedestrian corridor because it's going to be a…in the future a four lane street for…so a challenge potentially for folks to get across, and that would be an active pedestrian corridor. Item No. 2, 5, 6 and 7, what this does…this is…adding what's called development control strips. There's roads that terminate in the middle of fields, basically or just basically end because of the fact that developer has not been able to assemble all the land in the entire area so the City is placing a development control strip there just so that nobody can go and just build a street, build a house at the end of the street or try to access the road and it's just a safe guard. These have been…I've been told by our staff that to amend this in the future would not have to come back to Council but would require short…what's called a short form subdivision which could be done internally by the department. Number seven is one which actually is putting a control strip two, seven, control strip on three lots. There is a…the developers agreed to this with the property

owner on the other side there. The process of attempting to assemble the property, the option there is…so the individual doesn't become so-called land locked that this individual can have an opportunity if he should so wish, to connect into the development and this is the safe guard but there is a sunset clause on that of two years Mr. Speaker as you can see, to ensure that this does not go on forever. And then number three, and that's affecting three lots and number three is simply fencing the perimeter of the development is backing on to existing homes in the area and as well, going to be, some of it's flanking onto existing streets and so the issue was raised in terms of fencing to ensure that it's covered off this was not addressed in the original plan so this has been amended as well with the developers' understanding so the applicant's understanding. So that's…those are the amendments. I just want to first of all thank Mr. Speaker, Councillor Browaty, Mayor Katz. I want to thank yourself, Mr. Speaker and Councillor Pagtakhan who is on the Standing Committee on Property and Development and prior to you, Councillor Nordman, Councillor Havixbeck because actually this matter was before when she was still on the committee and there's some residents in the gallery I believe. This matter has come to our community committee twice there was one application about two years ago that was rejected for similar development as this and then a second application was made last year and it was rejected. However, when it came to the standing committee there was a concerted effort made by the Public Service working with the applicant. The challenge here is this is an area of land which is basically, if you like, between Transcona and Elmwood. It's…it lacks services. You have gravel roads, you don't have storm water drainage; you don't have water; you don't have paved roads and the challenge has been to figure out how to put in the collector streets, who pays for what and in terms of timing there is existing…what makes it more complicated is it's just not green or raw farmland, that there's existing neighbourhoods already in this area that have been there for decades and using existing streets and so to ensure that there is a transition, that their concerns are addressed as much as possible but at the end of the day you can't make everybody happy as we know. And the challenge here, one of the big, and it was addressed in the Transcona West Area Structure Plan as noted by Councillor Browaty, where the great challenge was through traffic. The Department of Public Works wants to close the intersection or part of the intersection Almey and Lagimodiere. The challenge with that has always been historically, access to the shopping district access to that area and so there was a compromise struck through the Transcona West Area Structure Plan when it was passed by this Council that said that Almey would not be closed through to Lagimodiere until Reenders is actually punched through to street called Peguis. This would actually offer an alternative access. And that's really what was finally accomplished through this application by laying it over, and through negotiations, not just with this developer but with all the major property owners in the area. A memorandum of understanding was actually signed by all of the major property owners agreeing, Mr. Speaker, to cost share the road improvements in the area. There will be for the first time a very unique scenario where they've agreed that there will be an area charge placed on land, per acre area charge, to assist with the costs of one of the lanes on the major collector streets and with the other lanes being paid for by the respective developers. This is unique just because of the fact that it's involved multiple developer, multiple property owners and unique because of the fact that it also applies to land which, Mr. Speaker, right now, there are smaller property owners as well. They are not being affected by this charge. They will, if they ever decide to come forward and subdivide their land and rezone it. They would be then…they would have to pay the area charge no different than any other property owner in the area, but it basically and we as the city, by the way, own land in this area. We will also be paying towards this area charge. So, it's a unique way of trying to resolve the issue and ensure the area opens up. This is…just to put it in perspective, this is over 600 acres of land but you could define as infill in the centre. If you look at, if you like Transcona and Winnipeg, the rest…it's the last bit of land between that really has not developed. And it's because of this challenge with regards to services. So the interesting thing is the application by north Grassie which has really been the stimulus, which has greased the wheels to actually bring everybody to the table, because there was a sense and an understanding that just as their application would not be able to proceed, so would all the others have the same challenge in terms of sorting out the transportation issue. So I want to thank, you know again for the patience of the members of the Standing Committee because this was laid over a number of months and thank the Chairman, Councillor Browaty and the Public Service. I just want to thank and the Public Service who worked very hard on this, Phil Sheegl, the CAO, Deepak Joshi, the COO, Barry Thorgrimson, the Director of Planning, John Wintrup and Roy Hartmann, Kim Raban, and Michael Pyl. I hope I'm not leaving anybody out, but these individuals were directly involved with this, and did a lot of…there was a lot of meetings involved and a lot of work done on this so it will mean a change for the area, Mr. Speaker. There's no doubt about it. I was born and raised…well not born, but I was raised for a good chunk of my life, on Almey Avenue and rode my bike there and rode my bike…you know…

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

Councillor Wyatt: …on Ravelston and I remember it as a quiet community, a quiet street and what's happened over the years with development, commercial development along Regent Avenue. It's changed and there's been more through traffic than ever before. There will be a change…a lot of folks in Transcona use Ravelston as a shortcut from Lagimodiere through to Ravelston and get into Transcona kind of without using Regent Avenue or other ways. That will change, but the important thing is that unlike, let's say the scenario we had in North Kildonan where McIvor was closed but there was no alternative offered at that same time, this is where we're saying at the same time, is when Reenders goes through, the intersection would be partially closed at Almey to…and I say partially, what I mean is the intersection

still needs to remain open for the purpose of the commercial development there, but closed permanently and permanently landscaping done to separate it so that it would actually not be a throughfare like it is today. So this actually will bring some sense of stable planning and development to the area and it's exciting to see things coming together. And it will depend, of course, Mr. Speaker, the crucial thing is here, this is just one step. There's just going to be other applications that are going to be required to facilitate and help facilitate this development and so as long as the economy remains strong or healthy, these…what we're talking about here today, we'll happen, of course anything, we don't have a crystal ball and if something were to go awry in terms of economy and development were to stop tomorrow, of course we would not see any changes here but the reality is, Mr. Speaker, all remaining things remaining equal. Hopefully this will proceed as planned. And it will be a change for the residents in the area who are used to this kind of rural, I guess semi-rural type of setting, but the fact is, you know, we've talked about the importance of growth and accommodating that in our city as our city is growing. So, I'm very supportive of the clause. Thank you.

Mr. Speaker: Thank you Councillor Wyatt. Any further comments on Item 1? Councillor Swandel.

Councillor Swandel: I think I understand what Councillor Wyatt is saying but I'll just say this. When you're trying to understand what this is doing when you start trying to read the report and relate this because there is amendments in the report, there's amendments here, this is not convoluted but there is such a maze and myriad of information to walk through here. At some point we've got to you know, we've got these development agreement parameters and we're trying to have them standardized and I hear from Councillor Wyatt that there are some nuances here that need to be done as far as bordering properties I can appreciate that but this is quite a lot to digest as an amendment being walked on at a meeting like this. So I mean, I'm willing to go along with it, I don't think that there's much harm can be done here and I think the intent was already done through the public hearing process. But we've got to be a little better at getting this stuff right the first time rather than continuing this process going forward.

Mr. Speaker: No further comments? Councillor Browaty.

Councillor Browaty: Thank you very much. I think Councillor Wyatt did a good job summarizing the whole process we've gone through, previous applications and such. Again, to Councillor Swandel, this particular applicant certainly was pushing to get this to come along and again because there are 7 or 8 different groups that really have a stake in it, it did take a lot of work from our Public Service to come together and enhance the late amendments but again thank you to everyone involved at this point.

Mr. Speaker: Okay, we're up voting on Item 1. Motion 5 as amended. All…Motion 5 first, okay. On the motion, all those in favour? Opposed? Carried. Clause as amended. We will…that will be this. All those in favour? Opposed? Carried.

Item 2 – Subdivision and Rezoning
Pandora Avenue West (South Side, East of Atwood Street) - DASZ 49/2011

Motion No. 3
Moved by Councillor Browaty,
Seconded by Councillor Wyatt,

THAT Item 2 of the Report of the Standing Policy Committee on Property and Development dated March 6, 2012, be amended as follows:

1. That the wording for condition 12 added under Recommendation 1.A.ii. be deleted in its entirety and replaced with the following:

> *"12. The Developer shall, in cooperation with the City, install a lit Pedestrian Corridor crossing Pandora Avenue West at Atwood Street prior to the issuance of housing building permits, all to the satisfaction of the Director Public Works."*

2. That the following be added as Recommendation 10 and the remaining recommendation be renumbered accordingly:

> *"10. That the Director of Planning, Property and Development be authorized to do all things necessary to repay the Developer the costs for the lit Pedestrian Corridor crossing Pandora Avenue West and Atwood Street as provided from the Transcona Land Dedication Reserve Fund."*

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you, Mr. Speaker. This is just a housekeeping matter to deal with the way a pedestrian corridor was to be funded. The Public Service raised concerns with the way that it was suggested at the public hearing back at East Kildonan-Transcona Community Committee, this is just, keeps that intent…but fixes it up.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: I was just reading the second recommendation here in the motion saying that the…if I read it correctly it's saying that the land dedication reserve be used to repay the developer who's installing the crosswalk and it just seemed to me that you could've done that out of land dedication at the beginning, so I don't know what the process was; how we ended up to be repaying a developer for something that may have been a developer obligation. It's a local community's land dedication money but it seems like we're, something is twisted around here so maybe Councillor Wyatt will enlighten this when he speaks.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: This is the developer… there's a sidewalk to the north of this site that the developers agreed to fix. There was an issue in terms of public hearing in terms of Pandora and access across it that was identified the developer, it was not part of developer's obligation so it was agreed in the public hearing by the area councillor, myself that monies would come out of the land dedication. The way, the clause…my land dedication, the way the clause was worded…the way the, right, the way the clause was worded though, was it was going to originally come out of land dedication prior to the calculation being made and as you all know, 20%...the first 20% of land dedication gets distributed to the entire city's account which then gets distributed to all your accounts. This was going to originally take that funding calculation, take that funding prior to that calculation. So this is ensuring that the rest of the land dedication …first will get their first 20 percent… that is the net versus the gross. And that's what this amendment does. Councillor Browaty can correct me if I'm wrong but I'm pretty sure that's what it does. So, thanks.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: What's not clear to me here is this motion that we're voting on, is it…is this…it seems to me we voted to suspend the rules in the past for land dedication reserve money to go to this kind of traffic control, pedestrian corridor. It happened in St. Vital last year. Is that what we're voting on this motion is to suspend the rules of land dedication reserve or is this just a condition and then we'll have to vote I think later maybe, to suspend the rules to allow money from land dedications reserve to go to that?

Mr. Speaker: I don't think so, Councillor Eadie. No, I think there is no suspension of the rules as far as we're concerned on this. We're not suspending the rules. This is just a part of motion which we will then amend. Councillor Browaty.

Councillor Browaty: Thank you very much. Just to clarify again, I think Councillor Wyatt is starting to get at it. The way the original report reads and what the motion from out of East Kildonan-Transcona Community Committee says is again, a developer normally has a 10% land dedication obligation. The original report suggested that the cost of the pedestrian corridor be knocked off before land dedication so it would be so less than the 10%, that will be going into the land dedication account. The problem with that is again not 100% of the land dedication goes directly to the Transcona allocation. A portion will go to…20% goes to the rest of the city for all of your land dedication accounts. What this does is it changes that so the 20% still goes to everyone else; it gets split up into their little piece and the pedestrian corridor still gets built. That's all that changes.

Mr. Speaker: All right. All those in favour then of Motion 3, amending the Item 2? All in favour? Opposed? Carried. Now the amended motion, clause, all in favour? Opposed? Carried. Thank you. Now, item number 3

Item 3 – Determination of Surplus Land – 281 Henderson Highway

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much. I believe Councillor Steen stepped this down. I'd be more than happy to hear his questions or comments.

Mr. Speaker: Councillor Steen.

Councillor Steen: Mr. Speaker. I know that it's unusual to ask Council to relook at a decision they have already made, however, this piece of property has some special considerations. Over the past several months, community meetings have been held throughout the area in regards to the community centres and recreational opportunities. I clearly heard from many organizations and stakeholders that the green space at the old Kelvin Community Centre is the crown jewel of the area and we all agreed we would like to see the whole piece remain as recreational. If we develop the piece that has been deemed surplus, it will reduce the visibility from the highway and cause safety issues for the children playing there. And we had issues in the East Elmwood, where there is only back lane to a community centre that was arsoned last year. So this is part of it. The rehabilitation of this property along with the new Disraeli Bridge is breathing new life in the area. We're seeing it in the reduced crime statistics for the area and I'm hopeful that giving children and their parents a place to play that they can be proud of and call their own, will add to the energy in the area. I would ask my colleagues in the Chamber to support this. Thank you.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: I'm wondering where the report is for this. There was a motion that came forward, went up to Standing Policy Committee, Standing Policy Committee concurred in the motion. This is…I believe this land was, the sale proceeds were supposed to go somewhere else. Bronx Community Centre. We may have already dealt with that piece, I don't know but there is no report here and I appreciate where the Councillor is coming from and I'm willing to support it but I think there's got to be some sort of subsequent piece of work here to rationalize the rest of what we're doing in the organization. And I just noticed this now that the report wasn't here. I thought this was a pretty straight forward thing but there is no report here maybe Councillor Browaty in closing can speak to that and we can move this forward. It sounds like it's important to the community. But there are other financial implications in the organization here and there should be some report sort of giving a better explanation of what we're doing and how we're doing this.

Mr. Speaker: Councillor Mayes. You'll get a question period later.

Councillor Mayes: No, no. I thought that was a question to Councillor Browaty.

(Inaudible)

Mr. Speaker: Right, okay. Councillor Mayes.

Councillor Mayes: …St. Vitaler, I tend to think that the North End starts north of Jubilee Avenue and this seems like a long way away from St. Vital. I want to thank my assistant Darryl Livingstone who is very familiar with the history of this site who briefed me on some of what's happened here and I think there is some good work to try and reclaim this and get some community use out of it so I'm going to be supporting Councillor Steen in this initiative. Thank you.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Yes, Mr. Speaker. I…from being from the East Kildonan-Transcona Community Committee, Councillor Steen has been involved with the process involving that community and clearly, there have been concerns and issues that he is there working to address, and I think we heard that very clearly at the community committee and I want to congratulate the Councillor on that hard work because there were those issues that were still left there and he's been trying to address them in terms of providing recreation and open green spaces for the community so I'll be supporting the clause as well.

Mr. Speaker: Mayor Katz.

Mayor Katz: Mr. Speaker, just to add a little information, is number one as Councillor Swandel did point out, originally this land was to be sold and the proceeds would go to help the construction of the Bronx Good Neighbour Facility. So everybody knows, that shortfall has already been dealt with that's number one. Number 2, is that the administration did look at the opportunity for selling the land. To be very frank with you, Mr. Speaker, not very much really constructive came out of it. So when Councillor Steen comes forward and you know the community is basically…seems to be rejuvenated in their opportunities, this is an ideal situation and I would definitely be supporting this motion.

Mr. Speaker: Councillor Browaty to close.

Councillor Browaty: Thank you very much, Mr. Speaker. Again I think this is a good news story for the community. They did find a way to build Bronx Park and the facilities there and there wasn't in fact as Mayor Katz mentioned, a lot of interest on the land parcel that was for sale on Henderson Highway. It isn't all that large and again there wasn't that interest. I understand Councillor Steen has been working with a landscape architect and the community. There's a lot of

interest there, there's a lot of excitement building there. Again we saw that you know the former Kelvin site, the building, the community centre, the bricks and mortar, weren't very well used but there was. It was still a meeting place in the community and they are going to be able to build, I don't know if they're…I think there is talks of skateboard parks and other wonderful things and I believe they're coming up with a very… their final community meeting before they have a solid recommendation, I believe it's as soon as next week, on Thursday in fact. So again, lots of good work here. I'd like to congratulate Councillor Steen for bringing the community together on this one and I think it's going to be a positive story. A positive ending to what was at one point very…you know a disappointing story.

Mr. Speaker: Thanks, Councillor Browaty. All those in favour? Opposed? Motion carried.

Item 6 – Strategy to Improve Building Permit and Inspection Processing Times

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. Again, we've got all good news here, it seems today from the Planning, Property and Development Department here. This is a wonderful story. One of the most frequent complaints we had about building in Winnipeg was red tape and delays in getting inspections done and permits produced. Now we're going to listen to the professionals, people that have the professional stamps. They're going to be the ones that are responsible and reliable to make sure things get done. As long as they do good work, we're going out there continually and auditing the work if they get on the bad list, if they're on the naughty list, they're going to be inspected every time and very heavily so it still maintains public safety, but it also recognizes the credentials of many professionals across the city. I know Councillor…Mayor Katz and the home builders and the architects such had a wonderful announcement a number of weeks ago at Sage creek, an absolutely good story. I believe it's Councillor Sharma who wanted to stand this down. I hope I didn't steal any of your thunder there but will listen…look forward to her comments or questions.

Councillor Sharma: Very briefly, Mr. Speaker. I'm pleased to see the Public Service has worked closely with the industry stakeholders to develop the initiatives they have put forward in the strategy. Consultation took place with the Building and Design Industry Advisory Group, the Manitoba Home Builders Association, APEGM which is the Association of Professional Engineers and Geoscientists and the Manitoba Association of Architects. The industry stakeholders have embraced this new methodology Mr. Speaker which increases reliance on their seals and holds the professionals accountable for the plans they submit. This should help to provide more predictable turn-around times and provide more complete plans for the City to review. These improvements are consistent with the recommendations of the red tape report and shows the City is constantly working to improve its service to industry and citizens. I'm optimistic Mr. Speaker, regarding the proposed changes and look forward to seeing these initiatives and strategies translate into frontline service improvements. Thank you.

Mr. Speaker: Seeing no further comments. To close, Councillor Browaty.

Councillor Browaty: I would like to thank Councillor Sharma for those wonderful comments and recognizing any of the groups that I didn't spout off the top of my head, the engineers and all the other groups that were involved. I guess one thing that I should point out is again this program is going to be for plans that are certified by engineers, by architects but what that should do in effect, what that should do, is reduce the workload on some of our inspection staff, plan examiners and it should allow people to come in with their plans for their garage or the deck faster turn-around times throughout the entire system, throughout the entire process. So again, it should help throughout this process in the long run.

Mr. Speaker: Thanks, Councillor Browaty. All those in favour of Motion 6? Opposed? Carried. And we have some by-laws.

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

Councillor Browaty: Thank you very much, Mr. Speaker. I'd like to move that the following by-laws be read a first time, By-law No. 50/2012, 51/2012, 52/2012, 53/2012, 54/2012.

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

Clerk: By-laws numbered 50/2012, 51/2012, 52/2012, 53/2012, and 54/2012.

Councillor Browaty: I move that by-laws numbered 50/2012 to 54/2012 both inclusive be read a second time.

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

Clerk: By-laws numbered 50/2012 to 54/2012 both inclusive.

Councillor Browaty: I move that the rule be suspended and by-laws numbered 50/2012 to 54/2012 both inclusive be read a third time and that same be passed and ordered to be signed and sealed.

Mr. Speaker: All those in favour? Opposed? Carried. Question Period for Property and Development. Seeing none, we will move on to the next committee report, Protection and Community Services. There's no report. We'll ask if there's any questions of the Chair. Seeing none, we will move on. Standing Policy Committee for Infrastructure Renewal and Public Works, Councillor Vandal.

REPORT OF THE
STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
DATED MARCH 5, 2012, ADJOURNED TO MARCH 6, 2012

Councillor Vandal: Thank you, Mr. Speaker. It's my pleasure to move Items I through 6 as Consent.

Councillor Swandel: Three, please.

Mr. Speaker: Three. Okay, we'll stand down three so we'll seek consent on… 1? One and three. Okay, we'll seek Consent on 2, 4, 5 and 6. All those in favour? Opposed? Carried.

Item 1 – 2012 Water and Sewer Rates

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. This item I consider a hangover from a great operating budget party. We essentially approved the numbers and the rates yesterday as part of the operating budget and I did speak to it but I will hear the concerns of Councillor Eadie and address it in closing.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman, to the Chairperson. I just wanted to rise and speak, I think I was pretty clear about what I thought about the general direction of the fees. The increases and I do wholeheartedly understand the reasoning as to why we have to increase the water and sewage fees to deal with a number of infrastructure issues that we have or one in particular. So, I mean, I can't be against that and so I just wanted to be clear that I would be voting actually for this because it doesn't say anything about the 8% revenue extraction. However, I will say one thing. If we are moving into what we call water sales to other communities, I'm wondering, at some point if…when we set water fees and that sort of thing, if we can't look at a methodology that would allow us to include people who really have a stake in the water that we receive here in the City and that we deliver outside and I've mentioned this before, we could add, say, 5 cents per cubic meter of water when we're selling water outside of Winnipeg. Because that…we're talking about sales now and ultimately if you want to actually profit from a selling a particular product, you might want to consider that kind of aspect when you start setting the water rates in the future, and that extra 5 cents could go to those people who should also benefit from the sale of water that basically comes from their place. So I just wanted to mention that. There's no need to mention it but I will be voting for these rates. I never supported the 8% dividend. Thank you.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. I just want to make a couple of quick comments how this was dropped down. The first and I think Councillor Eadie has already alluded to, it is most of this cost is driven by the infrastructure work that we have to do on sewage treatment. We know that the numbers are going to be moving a little bit from year to year depending on when projects are done, where this is not the end of increases, we've been projecting increases in our, in these documents for a long time. So, we would…you know, at the end of it we'll have probably the best sewage treatment facilities in the country, and when you look at Winnipeg overall compared to other cities, the whole basket of

cost of taxes and housing and utilities, we're pretty well the lowest in the country as far as costs go. So that's just another place where we're delivering great service at a very affordable cost and even though you can do some comparisons to other cities on sewer costs or water costs that we wouldn't be in the lowest cost category, but we've already built the infrastructure that they or we are building the infrastructure that they have yet to build because the environmental requirements are being put on us are still coming to many of the other cities in this country. So let's keep that in mind as we go forward. And I know when you talk to citizens, citizens don't have a problem paying a little bit more to…when they know that it's going towards sustainability. And we know the issues that we've had with sewage treatment in the past and that's where a great deal of this is going. One of the challenges we have that…I don't know if everybody realizes this, when we have to raise rates because of the capital work that we do, there's a reduction in consumption. And we're almost sort of our own worst enemy in this regard because we're out there giving credits for or rebates for things like low flush toilets or elsewhere in government, you know there's rebates for low water use, showers and the like, and you see most of the dishwashers and clothes washing equipment now comes out with a rating that sort of says that it uses less water. And so that actually is driving the revenue side down so even though we're putting rates up and the consumption may be going down so you're ending up with this balancing, constant balancing act that you've got to do on a year to year basis because you still need the revenue to operate these very…we're becoming far more technically complicated plants and using a great deal of different science. So I think it's easy. It's good to hear that Councillor Eadie is supporting this and I think the rest of Council will because this is at the end of the day, is getting a lot of work done. I will say this, too just in closing that we're still in this price, in this rate increase, it's contemplating that we will have to do the nitrogen removal work that we bandy about politically here a great deal so there may be some opportunities there if licensing requirements change to bring some of these rate increases down and we've also only included when the Clean Environment Commission made its recommendations on what we needed to do as far as sewage treatment and combined sewer overflows, they made a clear statement that they thought that this should be shared equally between the utility, the Province and the Federal Government as one-third partners and to date we've got a very small contribution from the Federal Government. A large contribution from the Provincial Government and you know, as we move through this I think there's going to be more coming from them but it's still less than half what's required as a provincial contribution for these works. So, we haven't included those revenues in here, so that's the other opportunity where these rates can come down in the future if there are large contributions from…and I shouldn't say the rates come down, the increases would come down if there are large contributions from the Federal and Provincial Government. And as we all know those usually come out of a pot of money. You know they are a pot of infrastructure money, so we have to be very strategic on whether or not we want those monies going to the utility side of things or whether we want those monies going to the tax supported side of things. It will be a very interesting budget or capital budget discussion as we move forward in the years ahead as how we want to spend those infrastructure dollars. Do we want to…if there's an opportunity to bring them into the sewer and water utilities? Should we be going there or should we pushing them more towards roads and bridges and community centres and libraries and the other infrastructure that make up part of the city. Thank you.

Mr. Speaker: Councillor Browaty. Oh, I'm sorry. Councillor Vandal.

Councillor Vandal: Mr. Speaker, relative to Councillor Swandel's comments, I think that's the big monster in the room right now. The big elephant in the room, is that…is that we have $1.2 billion worth of improvements that we have to complete by 2015, 2016. It's been mandated by the Clean Environment Commission several years ago. One of the recommendations of the Clean Environment Commission Mr. Speaker is that that 1.2 billion be financed a third, a third, a third by all levels of government. To date we've received $206 million from the Provincial Government back I believe in 07 or 08 and just 50 million from the Federal Government. If we do actually get to that a third, a third, a third, we will not be looking at a 6% increase next year or a six percent increase the year after. If we were to get that third, a third, a third magically within the next 12 months, we would be looking at inflationary increases for those two years and that would be great news for the citizens of Winnipeg, but as Councillor Swandel says that's a larger issue that…a larger strategic discussion we need to have with the other levels of government. Mr. Speaker, there are other changes in the water rates. We're moving to a uniform block rate over the span of five, six years. Presently the system as Councillor Swandel pointed out, doesn't make a lot of sense the more water you use, the cheaper it gets. Well, that's going to change over the course of the next five, six years to have one uniform block rate and we're also introducing overstrength fees for those customers that discharge nitrogen and phosphorous to keep in the spirit of the Clean Environment Commission recommendations. So, Mr. Speaker, that's it. I'm not sure…Councillor Eadie made a recommendation about selling water to other municipalities at an elevated rate or an inflated rate and that's a discussion we can have for the future. Certainly those agreements with other municipalities, with the one municipality, we've had, is it West St. Paul? I mean that's a package. That whole agreement was a package that we voted on so I would be loath to introduce higher inflated water fees at this point but Mr. Speaker, this issue's not going to go away. It's going to be one of the biggest infrastructure issues facing the City of Winnipeg in an upcoming years and we need to…we need the cooperation of other levels of government if we want to avoid increasing the rates to our citizens on a consistent basis. Thank you.

Mr. Speaker: Thanks, Councillor Vandal. All those in favour of Item 1? Opposed? Carried.

Item 3 – Transit Fleet Expansion via Purchase of Pre-Owned Articulated Buses

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you, Mr. Speaker. This is the issue about the bendy buses. We've had a good discussion at Executive Committee on it, Public Works. I'm going to listen to what Councillor Swandel has to say and address his issues upon wrap up.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. I just…quick comment before I go into that is I forgot to mention in my previous speaking that we actually do charge an increased rate to neighbouring municipalities in our agreements and those monies are dedicated back to roads and bridges for the city so I want to make sure that that gets said. With regards to the bendy buses, you know, I like the idea of getting these bendy buses. I just think that we need to be better thought out on what we're doing here. I voted against this not because I don't want to get the buses but because I think we should be doing this in a more orderly fashion that sort of walks into it rather than running into it. The proposal in front of us is that we acquire these buses. Somebody else's broken buses, and they get refurbished and I've got a great deal of faith in New Flyer, I believe they'll do a good job of refurbishing them. And we'll start to put them into service in 2014 or maybe late 2013 at the earliest. These buses are only going to have a life of about 10 years, not like our regular buses. And what we're doing here is rather than taking them and using them partly to replace some of our existing complement of buses or inventory of buses. We're going to put them 100% to use as new bus service which means at the end of their life we have to replace them in ten years. The end of their life the cost of these…today, the cost is $40,000 or $50,000 a bus and at the end of their life in ten years the cost of them is $800,000 to replace them. I would suggest to everyone sitting in this room that if…you're basically doubling capacity just by using these articulating buses and replacing a regular bus, that we could be taking a more sensible approach and more financially prudent approach to this by putting some new service in place and using these, this expanded capacity to replace some of our existing buses. That enables us to sort of walk out the ten years and see where we're at before we start going and setting ourselves up for a $16 million hit in eight to ten years from now. I say 10 year life cycle, the report says 8 to 10 years. The report contemplates us raising about $7.5 million in that ten years. Doesn't say where the other 7.5 is coming from so to put that in context that's pushing the 2% tax increase or it's got to come from somewhere. So you may get some additional revenue because there's some improved service but you know again, my thought is that we should be going a little bit slower here and putting these buses into some improved service and some regular service at the same time rather than going to all new service and not knowing what the impact is going to be in ten years from now. Thank you.

Councillor Eadie: I'll stand down.

Mr. Speaker: Councillor Gerbasi followed by Councillor Mayes.

Councillor Gerbasi: I'm fully supportive of this right now. I don't think we need…I don't think we're running. We are barely…we've been standing still or actually going backwards for the last 12 years, if not more as long as I've been around. We have not been able to expand transit capacity. We're actually expanding transit capacity this year. It is wonderful and it is long overdue. We cannot wait. If you actually take the bus, you will see how crowded the buses are and you will see that this is needed. This is long overdue. People are standing room only. I was at the Public Works meeting where the Director of Transit talked about the pass-up rates going up. You're standing there waiting for a bus and it's…full buses are passing people at higher rates than ever before. It's completely unacceptable. We're looking at…the deal on these buses is a fantastic deal. They're completely refurbished they're the 20 best buses of 230 buses to choose from. All the costs of updating them are included in this incredibly low cost we're getting and we've been assured by the transit experts that we employ, that these buses have the bugs have been worked out, any bugs in that. I mean all buses are going to have some maintenance issues but this is such a fantastic way to improve our capacity immediately and we're talking about down the road bus replacement, I mean that's a process we put money away in the capital budget. This is surely something we can handle over a period of ten years. And you know, you think of…this is something we can all stand up and say we're finally addressing some of the problem we've had for so long with transit capacity. I don't know how anybody can't be celebrating this. It's totally reasonable. I think we should actually congratulate the Director of Transit and the Transit Department for working out this arrangement with New Flyer, our local bus company by the way who are supporting the local economy and you know, I know my kids are in university, they take the bus to school, they take the bus…my other daughter who is working downtown, they take the bus and it's awful. They're packed, they're crowded. They're suffering and everybody is who takes the bus right now. It's just…that's one of the biggest problems you hear from transit riders so I just think transit, congratulation for this deal. We should all be celebrating it and we are not running blindly into the future. We're finally moving forward in a way we should be going and I'd like to thank everyone involved with that decision. Thank you.

Mr. Speaker: Councillor Mayes.

Councillor Mayes: Thank you. Mr. Speaker I echo many of the things Councillor Gerbasi has said. This came to the committee, the Infrastructure and Public Works Committee just after some media coverage about…these are the buses that were the lemons in Ottawa and they skidded in the snow and this is…this was a disaster and I would echo what Councillor Gerbasi said. The head of Transit, Mr. Wardrop, had a very clear presentation, said no, we're getting the pick of the litter here, we're getting the 20 best. We will be going over these. We will get the best of the fleet. We aren't buying lemons. It is a good value for money purchase. Councillor Swandel has a point in a sense in saying "Well look, we may have to replace these things in ten years", that's a good news problem. That means people are using the product if we in ten years we're massively overcapacity and will replace these with nothing or with the traditional 30-foot buses, well then people haven't been taking the service but as I said yesterday to some extent we're going loud on mass transit expansion here. We voted for a pretty big expansion yesterday. This is another expansion for 2013 and maybe we'll be sitting here in the year saying, well the bus rapid transit weighed, there hasn't been the up take we wanted, all those additional hours of service were in fact unnecessary. I hope not, I think not. I think it will be a success. We had a good tour on that system and it…you can really move on that system and get around some of the gridlock that's out there. So, I think it's a good value for money purchase and also, I think it reflects our commitment as Councillor Gerbasi says this isn't just about the new rapid transitway, this is about the pass up rate. I've been on the No. 58, it's an express bus. People want to get on it and there is a lot of bad noise and grumbling when you stop at the Bay parkade or a little bit further down just over the bridge and people can't get on. They want to take the bus, so I mean if people want to purchase our product, let's make our product available to them as easily and as cheaply as we can and hopefully they'll continue to ride it and we can expand the service. That would seem be the prudent course if we've got people who want to get on the bus let's provide a bus for them. Thank you, Mr. Speaker.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you. I'm rising, I spoke at EPC in favour of this Mr. Speaker. I'm rising to support it as well. I can assure the members of our Council here that if there is a problem with this bus. I just live down the road from New Flyer and I'd be more than happy to drive the bus to New Flyer to be repaired and just walk home from there. So, but the…I can tell you, Mr. Speaker, we did not approach New Flyer, New Flyer approached us. They are a major employer here in the City of Winnipeg. They do a lot of good community works here in the City of Winnipeg. You know we as a city, we started this week out by seeing headlines in terms of losses of jobs in another manufacturing sector in the city and the fact of our economy being not just service based but manufacturing based has been one of the strengths of Winnipeg in the past of withstanding recessions and going forward, New Flyer and the fact that it's an international company, based here in Winnipeg, operating out here with the main plant here and plants in the United States, it's crucial, I think to the economic well-being of our city and entering into strategic partnership with a company like this. I think that's worthy. We do need to expand the fleet. We have 535 buses before, Mr. Speaker, a couple of years ago. We now have 545. The fleet back in the 1990s, the fleet was 565 buses. We're not even back to the 1990 levels, Mr. Speaker. Previous Councils cut the size of the fleet to balance…to balance budgets basically and what's happened is we as a city, one of the crucial things we found in terms of the Rapid Transit Task Force, was frequency of service. And frequency of service is a big, big aspect in terms of convenience and in terms of ridership. We often talk about price but a lot of it has to do with frequency of service and how long and how long connections it takes to make connections from one route to another. And the challenge has been we as a city have been growing and you know, I often liken it to maybe compare you know, comparing it to you know, a piece of bread and taking the same amount of butter and just adding, the same amount of butter to more and more bread. I like bread but anyway, that's why I use that comparison but you know, you get less and less butter ultimately. The City has been growing and we have, the fleet has not really been keeping up with the growth of the City and I can tell you that there is new neighbourhoods that are opening up. There's Sage Creek which is being developed right now. There's Waverley West, which are being developed. We have new neighbourhoods on the horizon. These neighbourhoods, we have potential neighbourhoods like Ridgewood in the future. These neighbourhoods are going to require not just extensions of existing bus routes but new routes, Mr. Speaker. And I can tell you when this appeared because it was debated last week at EPC that I heard from constituents who said I want one of the first buses to be on the Transcona 47 Route because that bus is absolutely packed going from downtown to Kildonan Place and back again. There is standing room people actually have to sometimes wait for another bus Mr. Speaker because there is no room literally, almost like what you see in the videos, people being jammed on subway station cars in some other cities, well you know what we're almost coming to that point in some parts of our city when it comes to our buses, Mr. Speaker because of demand. And I can tell you that when prices of gasoline hit three years ago, 1.50 a litre one summer, I was hearing from constituents Mr. Speaker, I had never heard from before calling in and saying why aren't more buses on the road because they were full. There was a lot of folks who were making economic decisions and folks in my neighbourhood who were making economic decisions at that point where there was one…clearly was somebody, member of the household was leaving a car behind now and getting on the bus because of economic reasons and we're going to be seeing that in the near future again Mr. Speaker if the predictions

are correct in terms of fuel prices. So, we have to get geared up, Mr. Speaker. The Public Service has come forward with this recommendation. It's solid, it makes sense. Yes, we will have to replace them in the future. Yes, there's going to be a cost to our operating but this is a cost that comes with growth that we cannot ignore, Mr. Speaker, unless we want to ignore the idea of having a proper and functioning public transportation system which I think would be a huge detriment to the City if we did not ensure that we had a system like that. So I'll be definitely supporting this report and thank New Flyer for approaching us and showing that confidence in our Public Service and our Winnipeg Transit staff to work with them in facilitating this transaction. Thank you.

Mr. Speaker: Councillor Havixbeck.

Councillor Havixbeck: Thank you, Mr. Speaker. I kind of…the comment "run not walk", sometimes I don't even feel like we're out for a stroll in getting things progressing. Councillor Wyatt made mention of New Flyer operating in the east and I can assure you that the CEO lives two blocks from me and we have a problem with the bus, we'll be hitting him from the east and the west of the city. So, I think…I'm very supportive of doing this. I think this is a tremendous opportunity that has come to Winnipeg and it has come to us now and it could've presented itself to another city. We are on the brink and I'd like to see this move along. Sometimes we wait and wait and wait and we decide to put things off because we aren't quite 100 % satisfied with it. This is what's prevented our city from progressing at many times. So I see this as tremendous progress. Some say we do nothing. So we wait. We plan it out instead of getting these buses or similar buses on the road by 2013. We put them off three years, that's 2016. We're paying now $1.1 million for them, if we put it off to 2016, we're paying 13 million. Then we still would have a replacement at the end of ten years because things wear out. So you know, if we put that off another three years, we're looking at 14 to $15 million more. So I'm not clear why we would do something like that. If we're assured we have a warranty system and Dave Wardrop has done an incredible job at presenting this opportunity and putting it forward. Councillor Wyatt made mention of Transcona turning people away. I hear daily people from…trying to get to the university, can't get on the bus, missing classes, late for work, all kinds of things. And this is an opportunity to almost double the capacity size so continuing that on with rapid transit. Rapid transit will impact our entire city. The routes will go throughout all areas so it's not just one concentrated area. And it's anticipated according to the rapid transit information that there will be 20,000 additional users over the next couple of years so if we're already at capacity, and we're already turning people away so they can't get on the bus, why would we not move forward with something like this? Councillor Gerbasi and I were just chatting about the garage situation and you can't buy new buses until you have a place to store them, and repair them and maintain them and you know, back in the 90s, garage was closed so now we're making more progress in that so that these buses will have a home per se so that they can be maintained properly and with the growth planned for our city in all areas of the city, we're seeing more densification, more people along the rapid transit corridor and we're seeing more people in the suburban areas. There will be more users, I fully anticipate it. It's…what has been referred to around this table as public transportation. It's an option for everyone and so this just helps us take the next step in moving our city forward; in moving people to where they need to go much more quickly. So I fully support it and I hope all Councillors will.

Mr. Speaker: Councillor Browaty.

Councillor Browaty: Thank you very much, Mr. Speaker. I'm not going to speak too long here but I did want to make a comment that some people have approached me saying why are we buying these buses from Ottawa and not from a made in Winnipeg New Flyer, and I'm going…I just want to make it very clear to absolutely everybody, it was brought up by a couple of people to me, these buses are being purchased from New Flyer, they will be serviced by New Flyer and again if they breakdown, Councillor Wyatt will drive it over on his way home so they have absolutely no problem. The other thing is when you look at the operation of our transit system the greatest cost isn't fuel. It's not the buses, it's actually labour and the ability to add capacity on these high density, high used routes, we can do some more efficiently with larger capacity buses which is we provide. So I think that's an excellent point as well. It's a good news story. We haven't added hours of operation in a very long time. We're doing that with the budget that this Council passed yesterday. Our city is growing at a good rate but the ridership on Transit I understand is growing at an even more rapid rate. So it's an important service by adding buses. We hopefully will, and quality bus service will get people out of of their cars in some cases and reduce congestion, so I am supportive of this today.

Mr. Speaker: Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. There is no doubt in my mind whatsoever this is a good news story and I think it's very astute of Councillor Swandel to point out that we start planning now for replacement. You put a little money away every year, it's not the same as all of a sudden facing a potential $16 million hit, but as has already been pointed out, number one, contrary to what some people say, transit ridership has been increasing every single year. The growth will continue. And number two, it's up to us to make sure that you entice people to use Transit more often. We've heard stories especially during rush hour obviously, about full buses going by and I know that's a very frustrating scenario. This will definitely address that issue. But what I do want to share with all of Council is something they may not know. Mr.

Speaker, this actually was supposed to have been here last month. New Flyer needed a decision, City of Winnipeg and the needed it last month, and we did not want to have a special meeting because we don't like that and bring something to the floor of Council at the last minute, so two things happened. Number one, I personally made a phone call to Paul Soubry Junior, the president of the company and told him that we were genuinely interested but we didn't want to have to have a walk on. Would you speak to your board and could you extend this opportunity for one month. And they did. At the same time, Mr. Soubry gave us reassurances and as we know, they are local company, so we have the service right here, that these will be quality buses and they stand behind them 100%. As Councillor Mayes has mentioned there have been comments but they stand behind this product 100% and as everybody knows there is a deal to be had here and we should take advantage of it when it's there so I certainly will be supporting this, Mr. Speaker.

Mr. Speaker: No further comments? Councillor Vandal to close.

Councillor Vandal: Thank you, Mr. Speaker. Standing room only. When you hear those three words most of the time, it's a great thing and I know for the industry of bus transportation and the City of Winnipeg when you hear standing room only, it's fantastic thing. In 2012 we're adding 55,000 extra service hours to Winnipeg Transit. We're hiring 49 staff. We're opening up the first phase of rapid transit. Whether we recognize it or not, Winnipeg has a very robust transit economy right now. This is a…let me quote Dave Wardrop at our standing policy committee. This is a fantastic deal for the City of Winnipeg. We pay 53,000 dollars per bus which includes $11,000 for a refurbishment. New Flyer provided heated storage until 2014. We phase them in in 2014 to deal with the increase in the ridership that undoubtedly is going to be there, beginning immediately. It's been here for a few years. Mr. Speaker, I agree the issues brought forward by Councillor Swandel are good ones to bring forward. There are recommendations, Recommendation 6 has an increased annual funding of 750,000 towards our transit buses capital program and right now the City of Winnipeg plans to purchase anywhere between 32 and 38 buses on a go forward basis for the next six and seven years. There's nothing in any contracts that prevents us from reducing the purchase of those buses, should we not have the ridership that we anticipate. So, Mr. Speaker, we go forward with the articulated buses and if the take up is not there in five, six, seven years, we just buy less regular buses. I think in a case like this, we have to have the confidence of, in our managers to let them manage, and do all things necessary to provide a first class transit service in the City of Winnipeg and who knows, by the time 2016 comes along we may have Phase 2 of rapid transit all the way to the University of Manitoba. I know that's in the master plan now. We had a good colourful discussion yesterday about one option of financing them. Financing that construction but I know there are other options and the Mayor has presented those options to the Premier. And so I wouldn't take that off the table just yet. I think that if something comes together in 2012, we can get…we can meet those 2016 deadlines or shortly thereafter for Phase 2. So Mr. Speaker, this is a fantastic deal for the City of Winnipeg and I'm proud to move it forward. Thank you.

Mr. Speaker: Thanks, Councillor Vandal. Call the vote, the question. All those in favour? Recorded vote. Recorded vote, okay. All those in favour of the articulated buses, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

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

Nays

Councillors Fielding and Swandel.

City Clerk: The vote Mr. Speaker, Yeas 13, Nays 2.

(Inaudible speaking in the background)

Mr. Speaker: All right before we conclude today we have some motions or bylaws, I'm sorry, from Councillor Vandal, Sir.

**STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
NOTICE OF MOTIONS**

**Moved by Councillor Smith,
Seconded by Councillor Eadie,**

WHEREAS on November 16, 2011, Council adopted Item 2 of the Report of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 4, 2011, as amended, increasing fares by 5 cents as of January 1, 2012 and a further 20 cents on June 1, 2012;

AND WHEREAS funding Rapid Transit out of the fare box has never been done and can't be done in a City like Winnipeg;

AND WHEREAS a general fare increase to fund a Rapid Transit line that serves primarily the City centre and the University of Manitoba is tantamount to a subsidy to some of the City's more fortunate people, paid for, in part, by some of its poorest;

AND WHEREAS the Province and the City have established a working group to determine alternate revenues for a new Rapid Transit System;

THEREFORE BE IT RESOLVED that Council rescind its decision regarding Item 2 of the Report of the Standing Policy Committee on Infrastructure Renewal and Public Works dated November 4, 2011, as amended, except for the decision to increase fares by 5 cents effective January 1, 2012.

Moved by Councillor Swandel,

That, with the permission of Council and the concurrence of the seconder, Councillor Eadie, the Notice of Motion be filed, having been dealt with during the Council Meeting of March 20, 2012.

Carried

**STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
MOTIONS**

**Motion No. 1
Moved by Councillor Sharma,
Seconded by Councillor Havixbeck,**

WHEREAS the Centre Port development could ensure the future success of Winnipeg as a major trading and commercial centre for Canada and North America;

AND WHEREAS a major component of Centre Port's development has been focused on improving road access in and around the Centre Port Lands, specifically with upgrades to the Perimeter Highway, Inkster Boulevard and the construction of the new Centre Port Canada Way;

AND WHEREAS based on the fact that the Provincial Government has spent over $200 million of federal infrastructure dollars on road access improvements for Centre Port, Centre Port represents a high public policy priority for the Government of Manitoba;

AND WHEREAS a completed inner ring road system, as documented in the recent Transportation Master Plan and previously documented in the Mayor's Trade Council Report, is crucial to both the development of Centre Port and securing Winnipeg's future status as an ongoing centre for trade and commerce in North America;

AND WHEREAS the completion of the inner ring road will divert truck traffic that presently rely on existing regional roads which pass through Winnipeg's centre and impact older neighbourhoods such as Elmwood, St. Boniface, the West End, West Kildonan, the North End, and Downtown Winnipeg;

AND WHEREAS for the Chief Peguis Trail to be fully effective as one of the main transportation routes for Centre Port, the Trail's transportation infrastructure must first be built so as to connect into the Route 90 transportation system;

AND WHEREAS the Chief Peguis Trail, from Main to McPhillips, is in the Transportation Master Plan under the Medium-term timeframe (by 2021) at an estimated cost of $110 million and the Chief Peguis Trail, from McPhillips to Route 90, is in the same Plan under the Long-term timeframe (by 2031), with an estimated cost of construction of $130 million;
AND WHEREAS plans are now underway for 'Ridgewood' in Charleswood, a new housing development on an estimated 900 acres of land that will create new property tax revenues for the City of Winnipeg, enhance an existing older neighbourhood (Charleswood), and provide housing to a growing city by building infill development rather than suburban sprawl;

AND WHEREAS that a prerequisite to facilitate the Ridgewood development reduce existing traffic issues will be the construction of the William R. Clement Parkway, from Grant to Wilkes, providing this development with its main source of ingress and egress to Winnipeg's regional street network and helping to fulfill the goal of completing Winnipeg's inner ring road system with its strategic importance to the Centre Port Project and other will support the retail and commercial development in the area;

AND WHEREAS the William R. Clement Parkway, from Grant to Wilkes, is in the Transportation Master Plan under the Medium-term time frame (by 2021) and at an estimated construction cost of $60 million;

THEREFORE BE IT RESOLVED that Winnipeg City Council amend the Winnipeg Transportation Master Plan by moving up to the Short-term timeframe schedule (by 2016) the following projects:
i) Chief Peguis Trail - from Main to McPhillips - a total estimated construction cost of $110 million
ii) Chief Peguis Trail – from McPhillips to Route 90 – a total estimated construction cost of $130 million
iii) William R. Clement Parkway – from Grant to Wilkes – at total estimated construction cost of $60 million.

Required to Stand as Notice of Motion in Accordance with Rule 17.1 of the Procedure By-law

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

Councillor Vandal: Okay. By-laws. I will move that the following by-laws be read a first time, By-law No. 49/2012, By-law No. 55/2012.

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

Clerk: By-law No. 49/2012 and 55/2012.

Councillor Vandal: I will move that by-laws numbered 49 and 55/2012 be read a second time.

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

Clerk: By-laws numbered 49/2012 and 55/2012.

Councillor Vandal: I will move that the rules be suspended and by-laws numbered 49/2012 and 55/2012 be read a third time and that the same be passed and order to be signed and sealed.

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

STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL AND PUBLIC WORKS
QUESTION PERIOD

Mr. Speaker: Question Period for Public Works. Councillor Swandel.

Councillor Swandel: Thank you Mr. Speaker. Through you to Councillor Vandal, some time ago I moved a motion regarding the use of fire hydrant spaces as taxi stands. It's being done in other jurisdictions. It's actually protecting the taxi, or the fire hydrant spaces from being blocked by cars that don't have people in them. To date I haven't seen anything, maybe I missed it, maybe it got filed somewhere, but I haven't seen anything come back through. With our

ever changing downtown, more and more people are coming into downtown for hockey games and other entertainment events, you see more people wanting to go out for dinner or stay for a drink after a hockey game, there's a lot more cab activity in our downtown and the taxi industry is finding it a great challenge because there is a very limited number of taxi stands, and even if you go to the M.T.S. Centre, you'll see people have to rush across the street through traffic to try and get to the other side of the street to get a taxi. I was just wondering if the Chair could give us a bit of information on where that's at and what we might be doing. It seems pretty easy to implement.

Councillor Vandal: Thank you, Mr. Speaker. Through you to Councillor Swandel, I have no idea actually where this is. I remember the motion that was moved by Councillor Swandel, so I will follow up and I understand Councillor Havixbeck has some information?

Mr. Speaker: Okay. Ask a question in the form Councillor Havixbeck, providing a preamble.

Councillor Havixbeck: For the Chair of the…through you to the Chair of the Committee, are you aware that this item was referred to the Protection and Community Services sometime last August, to work with…and the Committee sent the Administration to work with Public Works and I believe the Fire and the Department of Highways, so my question is, is he aware of that?

Councillor Swandel: I don't have any supplementals, Mr. Speaker. You can create whatever rules you like…

Councillor Vandal: Of course I was.

Mr. Speaker: Second question.

Councillor Swandel: As the Chair of the Downtown Development Committee, this is an important issue. It's been dragging on for a long time. I'd like to get some kind of commitment. The levity is fine, but we've got to take this seriously. Can we get some kind of a commitment to get something back here to Council? This is really easy. It's been done in other jurisdictions. The work's already done. We don't need a hundred people looking at it. Will the Chair of Public Works commit to at least taking care of the Public Works side of it and let's get this done.

Councillor Vandal: Absolutely I will. If this is…it sounds like a no brainer Mr. Speaker. I'm not sure why it's been held up since last August. I will get on it.

Mr. Speaker: Thank you. Any further questions for Public Works? Seeing none. We will move on.

Mr. Speaker: Finance Committee, no report. I guess they haven't been doing anything. And question period for Finance. Any questions for Finance? Seeing none, we'll move on to the Alternate Service Committee, Councillor Fielding.

REPORT OF THE ALTERNATE SERVICE DELIVERY COMMITTEE DATED MARCH 2, 2012

Councillor Fielding: Yes, Mr. Speaker. I'd like to introduce Items No 1 and 2 with Consent.

Councillor Gerbasi: Number two, please.

Mr. Speaker: Stand down No. 2. All those in favour then of Item 1? All those in favour? Opposed? Motion carried.

Item 2 – Alternative Service Delivery (ASD) Process Revisions

Councillor Fielding: Could perhaps, someone hand these out from the Clerk's or... Could I submit this …

Mr. Speaker: I'm sorry.

Councillor Fielding: I just have a document, just hoping just to submit to Council if possible. That's if I am able to, I guess. Okay, thank you very much, Mr. Speaker and members of Council. Very happy to be here to speak to something that I have been working on for a good part of the year, it's called a modified managed competition. And really what this is, this is a process where we built some dollars in our budget to save some dollars in terms of delivering our core civil service. Really what this does, it's a process to allow us to measure how effective we are at delivering our core services, our services here at the City of Winnipeg. It'll allow us to determine costs and variants to see how it would be delivered

in the private sector to see if there's any cost savings that could be a part of it. In terms of the process, managed competition, essentially we sit down with the unions to identify some services we're looking to deliver in more of a cost effective way. The unions are given once again, at that point, we identify which services we're taking a look or think that there might be some good…there isn't good costing on it right now or it's costing us a lot of money to deliver those services. We identify that. We essentially go out and look for bids to see how effective it is and what the dollars could be to deliver those same services. The unions are involved in this process and they are given a chance at that point. Once again, all the information back it gives you more information of how effective you are, how you can measure and at that point, you know, we establish does it make sense? You know, what are our costs? Could we deliver in a cheaper way? The unions would have an opportunity to essentially counter bid if you will, change around some of their management structures to deliver these services in a more cost effective way. One of the most important aspects of managed competition is maintaining standard levels and ensuring core services are being delivered in a more effective way. A good example of where we use this was the 311 call centre where as we know a number of years ago, we looked to changing our service dial 311 call centre that's there, worked with the unions; they changed around some of their structures they were able to people, to maintain the business and we were able to get it at less cost. This is a really a model that's used extensively through other jurisdictions. If you look at some of the jurisdictions in Indianapolis, San Diego have used managed competition. We're calling it modified managed competition I think the labour you know the C.U.P.E. were here and they said they can't…I think their argument is they can't incorporate to bid on this work if you will. The modified managed competition allows them to restructure kind of their processes in the back end in terms of those services and they are able to maintain these services. As they mentioned some of these areas and I have handed this out. I thought this was an important piece. This is actually a press release from February 8. I'm going to read this on the record but you'll all have a copy of this and its costs, this is essentially from the Mayor's office in San Diego. They've done extensive work with managed competition so the cost of streets sweeping will drop by 12% under managed competition. The cost of City.. workers submit a winning bid so they won the bid and cut annual costs maintaining core service levels. The cost of sweeping the City of Winnipeg…city's streets will drop by 12% annually because of managed competition said Mayor Jerry Sanders. He congratulated the City's employees for submitting the winning bid to perform street cleaning work. The winning bid includes no reduction of service levels the Mayor said and in other words our streets will be swept with the exact same frequency at a lower cost for taxpayers and our employers have…devised a plan to work smarter and more efficiently which is exactly what managed competition's design too. The employees winning bid will save $560,000 a year off the annual cost of sweeping the City streets. The City workers beat three independent contractors in the bidding process. Last year the City employees also won a competitive competition for publishing services and fleet services resulting in an additional $5.5 million in savings for the City. Managed competition is creating millions of dollars in savings and we now have reinvested in San Diego neighbourhoods to repair roads and maintain parks, run libraries and fight crime, Council President Kevin indicated. While managed competition has already produced more than $6 million in annual savings for taxpayers, the numbers have grown as other City services undergo the same process. I love the City workers, giving them the opportunity to find ways to save taxpayer money and I won't continue on with this but you get my point with this. This is a very, important process. I think it's a very transparent process in terms of how we're delivering our services. Really what this does once again, it allows us to measure how effective we are at delivering a service. Every Councillor you know that's in this chamber I think probably would want to see how effective we are. Doesn't necessarily mean we need to move on this but what it does, it allows us to measure in a transparent way with the unions, whether at the table, in terms how we're delivering our services. What this really provides, it provides a menu of options in terms of how we deliver our services to save money for taxpayers. We have asked our public service at… through the next ASD meeting to report back on what services should be a part of this managed competition process. The question always comes up what services they are, these are my own opinions but I think building services is one you could take a look at, you can look at real estate in some capacity, some lawn cutting, curb cuts. These are all avenues I think makes a lot of sense for us so the report really doesn't tie our hands. It allows our process to go forward. It allows us to measure, that doesn't mean we're going to work on everything kind of the same thing with golf, there's going to be a whole number of things that come in doesn't mean we're going to take every option that's there, but it provides more information to Councillors and I think all Councillors, whether you're…whatever your political affiliations are, whatever your ties are, you know should want to know if we're getting good value for our service or taxpayers. This is exactly what this does. Every member of Council this would come back if we decide to do the managed competition and services, we're going to a look at it, it would come back through this Council Chamber so people have an opportunity to review it at that point. But really what this does, it's a process that's worked very effectively at reducing some of our costs. Just in conclusion once again, these examples that excited right from here in a large variety, it's the unions actually won the bids for this and what it did is it became service levels and that's what's important standard. But also saves taxpayers' dollars and that's what's important, the measurement piece. So with that I will stand down and wait for Councillors' comments. Thank you.

Mr. Speaker: Councillor Gerbasi followed by Councillor Mayes.

Councillor Gerbasi: Thank you, Mr. Speaker. I only had about a few seconds to do an internet search but the Mayor Sanders who brought this in is a republican who the headline I'm looking at is the harshest budget cuts and you know,

the press release does not explain where the money is coming from or where the savings are coming from. I mean I assume they're coming from wages. You know, we don't really know the details so you know it's nice to pull out a press release but we really need to know the whole picture of what we're getting into and Councillor Fielding also just mentioned we don't need to move on it well, actually we do because we just approved a budget that has to be balanced on $2 million of savings from this. So it has to save $2 million no matter what the consequences, pretty much so I do have concerns about this policy. It also then this policy is changed to our ASD process, is about…it's not just about managed competition. It's also about P3s and I just wanted to point out that transparency in public services can be threatened when the private sector takes over our core services. I'd like to ask, how many reports have we been told we can never see due to the rights of private companies and business interests? The Veolia contract to name one but there's many blocked out pages of freedom of information requests that community members have tried to see about some of these processes and if we start getting into core services with that, it's very concerning. Yes, I'm pleased 311 went to our workers but that was kind of a unique situation which was great but it was unique because it was really a new service. We didn't have 311 and amalgamating a bunch together. Thank goodness we didn't contract out that service and have you know, some call centre from some other part of the world dealing with our local issues but you know it's risky to go down this road I guess is what I'm saying. I also wanted to bring up the solid waste contract. You know that service was contracted out a hundred percent. I think it was in 2005. It went to a hundred percent of the residential contract and at that time there was…we were told there was lots of competition. We had a number of different companies and now we have one company who has all of the residential garbage contract. Many of us have called for an audit. That has not been done so we haven't really properly evaluated some of these experiments we've already done with contracting out and there's many jurisdictions that have brought garbage back in-house. They brought solid waste back in house because of the lack of competition in the industry. It can end up increasing your costs and I think we should be doing and I call on the Mayor to do an audit of that and prove me wrong on that if you can. The other…another ASD process we've had in the past was the selling off of the gravel pit and the result we're now paying double the price of the aggregate that we used to just have it at our disposal because it was our gravel pit. You know again, I think we should perhaps audit that kind of decision when you're selling off assets that you know it has an impact. And I'm not sure the whole picture again was looked at, another ideological driven decision I believe. But the proposal today is to amend our current policy to allow managed competition and P3s and I I wish I had more confidence that the process would be fair and transparent but I am concerned about it regardless. The report claims that the union will be consulted but what does that really mean? Like how much time will the union have when they have to fight to compete for their own jobs with the private sector? Will all the factors involved be considered or are we only looking only alt saving cash and money? There are factors, which is one of the reasons we kept our 311 staff, our call centre people, but is that…our existing staff provide public service, they have knowledge, they have experience, they know our city. Sometimes there's a benefit to the experience of our existing staff. It's not only about dollars and cents and I just hope this isn't just going be a fight to the bottom to the lowest possible wage for people because people, our workers in our city and I know it's unpopular and unfashionable and you know, certain media outlets and taxpayers federations don't think we should care about the people who work for us. You know it's just a matter of cut, cut, cut but those people are citizens who pay taxes, who are…have to buy homes and live in our community and just cutting wages if that's what this is, if all this is about that. You know it's not making our city better and it's not making our economy better and I'm also concerned about the services that are less transparent. We know what it's like when…sorry, that's a contractors' problem when someone has a problem with our city staff and it's a lot harder to manage and keep a handle on that. So, I'm concerned that another issue here is that no one has come out and said what service areas we're looking at. We're supposed to make that, so I raised this yesterday in the budget. We're supposed to vote on $2 million in savings coming from where? No one will say which departments. Now are we talking about librarians, libraries? You know, are we talking about custodians? And we've had this issue of custodians come up and I don't want to single them out because I have no idea if they are the ones that are being targeted here but I know in the past we did not make that decision to contract them out because that particular group of staff has some marginalized people who work for us who are productive members of society, who have a decent job now and we're going to toss them on the street to save a few bucks and lower wages. I mean, I don't know if that's morally right. I don't really think it is. So I guess those are my comments. I realize it's a policy change, it sounds like we don't really have to do anything. Well, based on the budget we just passed, we do have to contract out everything that isn't nailed down around here already and the example of where this is happening, he found a city, San Diego, that's doing it. It's not happening in too many places because most of the time, the workers can't compete and you just…you're basically, maybe they can. I'm not saying that they can never compete and I know I don't want to be misinterpreted that because they may be able to in some cases but what concerns me is that this is kind of a disguise to go down the road that is intended which is to simply, you know we've heard Councillor Fielding talk before that life guards should make eight bucks an hour. I mean, he said that. They can be paid that in the private sector that's okay. Well you know what, I don't think that's morally right for…to do that to our City staff and to do that…the amount of training they need and all that. I mean, you're reducing the quality and you know it's the lowest common denominator. I mean, I think this is an ideological issue that's driven by the Scott Fielding Report as they call it, which was referred to the budget. This is one of the things that has come back to us now to carry out and I really think we have to consider if that's how, if that really reflects the values of the citizens of Winnipeg. There's obviously a place for some contracting out. Again we don't know what's core services and what isn't, but this is getting to

the heart of all of our services I think, although I'm just guessing because we haven't been told. and so far consulting with the workforce has been a phone call, the night before the report's public or no, to just say watch for this, it's not really giving them time to even analyze the new policy or be part of even establishing it which they should be. They should be consulted and so should all of us so, I'm very concerned about the directions this is going. I think it's…you know, you can put flowery words around it and say that you're making our city more efficient. Our staff has done a lot of efficiencies and we're willing to do that with the time came with the garbage and we just said no. We're going to…we're going to go the hundred percent route and I'm not quite sure it's…it was the best route, but we won't know until that audit that is needed gets done. There's a few areas that need to be audited here because I think if we have to back up.

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

Councillor Gerbasi: We have to back up these kinds of plans with the evaluation that this actually works and we've done some of this and there's some concerns about it and nobody's really responded to those concerns. And I don't think we should be driven by ideology, the left or the right. We should be looking at the facts and right now we're being driven by the ideology of this Republican Mayor from San Diego. I don't think Winnipeggers elected a Republican. Thank you, Mr. Speaker.

Mr. Speaker: Thank you, Councillor Gerbasi. Councillor Mayes.

(Inaudible)

Councillor Wyatt: May I stand on a Point of Order, Mr. Speaker? … and I think other speakers on this. I would suggest we break.
Mr. Speaker: This is the very last item on our agenda, ladies and gentlemen. What is your feeling?

Councillor Wyatt: No, break.

Mr. Speaker: Roll? Keep rolling?

Councillor Wyatt: I've got a meeting.

Mr. Speaker: Right now. We have two more after Councillor Mayes. Carry on. Councillor Mayes.

Councillor Mayes: I'll try to match Councillor Wyatt's admirable brevity. Who could be against if it…I rise to speak against this. You know, you might say who could be against efficiency? Who could possibly be against efficiency? Well, I think the devil is in the details here and it tried to come up with what exactly the numbers are. The…this is not particularly new. I mean if you just Google "Re-inventing Government", that's a book from 1992 and that I remember going over and working with back when I worked for an union throughout the 1990s in Toronto and I was actually involved in one of these processes after the Harris government got in and we had a bargaining unit at Metro Toronto Housing Authority, Canada's biggest landlord and we tried to work with some numbers and we tried to work with the other union to try and get some sort of proposal together and frankly, there was a lot of ideology at the table, there were a lot of numbers, there were a lot of unclarity as to what exactly was…the service was that was being requested and in the end nothing came of it. And my suspicion is here that it's not a new idea and the difficulty is that I think if you take a collective agreement and try to renegotiate the wages or the benefits and we've already had a long talk today about the pension rates, there's a time to do that and that's at each cycle where you have a renegotiation of the collective agreement. They tend to be long; they tend to be emotional. They sometimes lead to strikes, they sometimes lead to lockouts but that's when you do the process. It's very hard to break this off into small components and say okay for the curb cuts we want you to put in a proposal. The unions are large, they're democratic organizations, who gets to vote on that? Is it everybody in the bargaining unit, is it some of the people in the bargaining unit, what is the process for doing that? And I think in trying to do this, it creates a great deal of strain and probably an unrealistic expectation that the bargaining units are being given an opportunity to bid, but as Mr. Davidson said, you're really asking people to bid on their own jobs here, and it's just…I think not an ongoing process where you try to perpetually renegotiate selected portions of the collective agreement. If we want savings, if we need savings, there is a vehicle to do that and that's the bargaining that takes place every three years, sometimes every four years. So I would speak against this for that reason. I would agree with the request that was made earlier today to try and stand this down and try and look at it. Councillor Gerbasi is right to an extent. We did pass $2 million yesterday in the budget that needs to be found through the process, it doesn't have to be through contracting out through. It doesn't have to be through… operation so I would encourage if this does pass, the EPC, the Mayor, Councillor Fielding to talk to the bargaining unit and really, defacto we're not looking at Fire here, it would appear we're not looking at Transit, we're not looking at Police. We're probably only looking…we're not looking at Paramedic, we're probably looking at negotiations with WAPSO and with C.U.P.E. So I certainly want those two bargaining units to be involved. The other problems…and I would like to look at…we have

some options I think to try and put some bargaining unit people in at the arenas, the golf courses, water services. When I was campaigning nobody ever said to me, "You've got to kick the unions out of you know, we'd be so much better off if we could just privatize those golf courses, the water services, the arenas, things would be great in the city." That was not the tone that I got in my very suburban constituency. The tone I got was, by and large, things were going well. People wanted value for money and I think by and large, we're delivering value for money. The other comment I would make is the numbers that there's talk here about, well, if you can come up with innovative cost in solutions. Here is the difficulty with, the note I have is the trouble with numbers. So here's an example of the trouble with numbers. If you looked at page 192 of the budget yesterday, there's a chart in there about golf service's performance measurements and I don't want to criticize Councillor Fielding here. I mean the budget's got a great number of performance measures in there. We've got everything. We've got play structures per hectare. We've got everything. There's an attempt, which I think is good to try and bring some data into public sector process. But problems can come in the details and I've talked with Councillor Vandal about this because both of us are great defenders of the Windsor Park Golf Course. So if you look at 192, there's operating cost per round for golfing and if you look down, you'd see the Windsor Golf Course, $24.83 per round operating cost, Harbourview up in the Councillor Browaty's ward is only $12. Well, clearly the one down in the south end is double the cost per round, hugely ineffective. There's where we should contract out, the trouble comes in the divisor which is cost per round. You're looking at the cost. You've got nine hole Harbourview, here's the total cost divided by round. You've got 18 hole Windsor Park divided by rounds. If you used total number of holes played because it's an 18 hole course so a thousand rounds is going to have twice as many holes played and Windsor Park is a Harbourview, because we're preparing total cost to total cost. Let's look at total usage verses total usage. Suddenly, Windsor Park drops in half of course because we are now saying it's a thousand rounds but 18,000 holes, 1,000 rounds at Harbourview not to pick on that one is 9,000 holes but suddenly Windsor Park is right in there. We're only a few cents more than Harbourview in terms of cost per round so the difficulty, my point here is not so much a passionate defense of Windsor Park. We'll be doing that at some other time. Councillor Vandal has been doing a good job of that. The point here is the difficulty with the numbers. So I think we need to slow down, we need to take a deep breath; we need to talk to the bargaining units about this. I'm sure there are other examples in this book and I don't think anyone's doing out of some subterfuge or some hidden agenda. That's an honest comparison operating cost per round. But you've got to break these things down into the details and say look, the real operating cost per round for whole play is actually very similar between these courses, so I understand Councillor Fielding saying, look the unions can still bid. I think the difficulty comes in the nature of that process and in trying to find the accurate numbers for what really is the cost that's being delivered here, the pension issues, the benefit issues and as Councillor Gerbasi said, maybe you don't want the cheapest possible 311 service, maybe you want one that costs a little more but based out of the City of Winnipeg and people who know the City of Winnipeg. So in summary, while I always favour efficiency in this case I think it's hard to define efficiency and I would be speaking against this proposal. Thank you.

Mr. Speaker: Councillor Orlikow.

Councillor Orlikow: Thank you Mr. Speaker. I believe…I don't believe, I know that all Councillors around here all support the idea of finding the best value for money for the taxpayers' money that we spend. The managed competition aspect of this report does, again I can support the idea of having public and private entities looking at ways to work together and find ways that we could actually contract services. Again my variation is what a public entity is. I don't believe that our civic employees are public entities per se. They are employees of the City of Winnipeg. Treating our employees as a business group I believe will have a significant impact and a negative impact, on employer and employee relations. I believe the City unions are not businesses but represent City employees. I believe Winnipeg employees are part of the City and need to be treated as such. I believe union employees that are part of the City are not businesses but partners. The City's management role requires that the process of continued improvement should always be taking place provided through effective management and through the creation of a culture of inclusion. A competition process in which our employees are asked to find ways to save their own jobs will create a culture of fear and exclusion. Management should be continually working with our employees to develop creative solutions for the deliveries of service, so efficiencies and value are continually achieved. The City needs to provide a working environment so relevant union and management can work cooperatively together to develop innovative ideas that will enhance service delivery and ensure cost effective and efficient use of our scarce resources. This is not the proper approach.

Mr. Speaker: Councillor Eadie.

Councillor Eadie: Thank you, Speaker Nordman. I will attempt to be short. I just want to…I mean, it is in the details I think everything I wanted to say is there but it's been said by the past speakers but I guess I would just draw people's attention to some of the ability to be competitive so there's this assumption here that somehow, Winnipeg should be compared to San Diego. I just tried to do a search on the internet but San Diego's unions there are probably very sizeable in terms of the number of employees, the number of contributions to the office and to the leadership that runs their union. I would point out that in the 1990s, C.U.P.E. Local 500 was quite willing to bid on a number of different

services but at that time when I first entered into the foray of City politics in 1991, there was over 10,000 C.U.P.E. workers, working for this particular city. And they were proud of the work that they did and they thought that they could continue and be competitive but now what are we? We're at maybe 5,000 C.U.P.E. workers, a number…it's not such an ability to be competitive to provide services necessarily, so that might be an issue as part of this. But really for me, it's how this Alternate Service Delivery, whole approach has been going and I've read their report that actually started out, what was it, 2006 I guess, or around there would've been the time that there was a committee and they all, are actually, might've been on to the other Mayor but anyway, to devolve ourselves of losing of devolving and privatizing services is one that really, it needs to be done in a way that…it's free, open and a fair and discussion where the two groups or whatever groups get together and figure out how we can do it in a more unbiased methodology because I think the methodology that's been developed over time through the ASD is one in which we want to get rid of these things or we don't…we think that we're actually saving money. In the 1990s, we privatized all the trips for Handi-Transit and there was some savings because what happened was sure, the per trip cost went down and that's fine, and it's hard to measure today and this is where we go to…how do we measure stuff here Speaker Nordman, because at the same time that things were privatized, we were expanding the system and there is no way to actually compare effectiveness, efficiency and so on together but what I do know is when we privatized all the trips and this is not to say that all those private providers and the drivers of those vehicles don't do a good job but what I'm saying here is there was extra administration that had to be hired to oversee a company that is actually providing services so we have no direct links between our management and our workers. What you do is you separate that and then we need these people who we oversee to make sure that whoever we're contracting with is following all their agreements and frankly, there's been a lot of problems with that privatization over time, and for me if we were able to really measure all the aspects, not just looking at just the actual service delivery, but all the other components, all the other costs that come with doing these privatizing different jobs and that sort of stuff, it's been my experience, working with the garbage that we have to be diligent all the time with the private contractor when it comes to collecting garbage. They make a lot of mistakes. You know, pardon me for saying it but they make a lot of mistakes. So I want to point that out and we need people to continually monitor and deal with those situations that we didn't necessarily have at the time because I think at the time that City workers were delivering garbage service, you had a leader on the truck. They were responsible to make sure that the things got done…garbage was collected appropriately. You had an appropriate supervisor. You're adding another level so you know, I can't support this direction here and the other thing is you know, when we're talking about delivering the kind of services that the City does, we are talking about employees and so what you're really asking unions usually here are or just City workers. You're asking for them to just you know what, take a pay cut. That's what you're actually asking them to do and at the same time, we're jacking their taxes. The same time we're jacking their taxes and they have to be able to figure out how they're living in our city. So you know, I just don't like this process. It's not a good one. It's one in which you do not earn the respect of employees and frankly, when I was an employee as a custodian for the Winnipeg School Division, you know if I had to worry about my job all the time, I'm not going to take real, why would I care about a job where I've got to worry about being cut all the time? Why do I have to…why would I want to do that? So you know, I would like our employees to be able to offer up what Councillor Orlikow does. He is a person who understands the concept of how to work with our employees. There are lots of efficiencies to find and actually, I would point out that I was at a operating budget consultation in which we embraced a person's comment that said we should be talking to our employees and figuring out how you should be talking to your employees, how to save money, how to do the job better because they do know. We need to talk to them and there needs to be an environment to be able to do that and you can't create that by setting this particular agenda down the road and so absolutely, I was originally just going to say no, so no.

Mr. Speaker: Councillor Wyatt.

Councillor Wyatt: Thank you, Mr. Speaker. Often issues like this it's sometimes not what is being introduced but who is introducing it that sometimes shapes the debate and some of the comments made earlier I think proves that point. I recall the fact that I wasn't on Council at the time but, a previous Mayor, Mayor Glen Murray, openly campaigned against the idea of selling off Winnipeg Hydro and made it a big case that he would not get rid of Winnipeg Hydro. After he got elected, he quickly moved and actually got rid of Winnipeg Hydro. And at the time, the Winnipeg Labour Council who backed Mayor Murray in that election, there was no opposition, public opposition from C.U.P.E. at that time even though the fact of the matter was workers who decided that entity were not excited. Six, seven years later with the decision by the present Mayor for the City to get out of the gravel, sand and gravel business, there was strong opposition from labour, saying no to this. Really, two similar situations, getting out of a business that we're in already and two different reactions based on who was delivering the proposals. So, you know, Mr. Speaker, we have to look at this proposal in where it's coming from the overall context of our city today. This is…there…Councillor Gerbasi is correct in the sense that there is $2 million in the budget that there has to be addressed in terms of efficiencies and the fact of the matter is, Mr. Speaker, we have a budget right now where for the first time in years we're actually raising taxes. We haven't done that before and if you look at the outgoing years, we are going to have a heck of a challenge because our costs in terms of…a lot of the costs which are not related to C.U.P.E. employment or are related to fire service and policing services are going up faster than the rate of inflation and we have a challenge on top of that with regards to the fact that we

know, we so far have been getting nowhere with the Province in terms of alternative service revenues, nowhere in terms of finding revenues to fix our infrastructure and we sooner or later as a Council, are going to have a fiduciary responsibility to start to address the absolute collapses taking place in a lot of the infrastructure out there in our communities and I guess what I'm saying Mr. Speaker, is it's going to be incumbent upon us at a time we're facing this challenges as a city and raising taxes for the first time in years and knowing that we're going to have to raise again as our challenges go forward, to look at all options to find efficiencies and it will not be easy. I come from a community where, you know Mr. Speaker, you don't cross the picket line, you just don't. And you know, a blue collar community. And it's not going to be easy. But, we have a challenge where we have this aging infrastructure which is crumbling. At the same time, we have to find resources to balance our books. We have a challenge in terms of…a unique challenge in Winnipeg with crime or safety issues in our city. We have the increasing costs of that as well as increasing pressures of a city which is growing and requiring services for a growing city and growing communities. So we have to find ways, Mr. Speaker, to strike that balance. Is there going to be holus bolus as wide ranging you know, some of the American cities have gone, you know to a huge extent in terms of Alternative Service Delivery of a contrary. I don't see that happening but I can tell you, Mr. Speaker that there's going to have to be other options in terms of some of the services we're delivering today. If we want to keep our, if we want to be able to go and not have double digit property tax increases and a lot of folks may be rolling their eyes and thinking that would never happen, well it did happen here, Mr. Speaker. This Chamber was approving double digit property tax increases back in the 1980s and it could easily happen again based on the challenges we're facing today if we don't have a plan in place to do, to address their challenges in a balanced way. We have to find efficiencies within our organization, like any other organization. We live in a province Mr. Speaker, where I can tell you right now even if this Provincial Government doesn't want to find efficiencies I'll tell you sooner or later, it's going to have to happen. You cannot run a province running a $600 billion deficit or $600 million deficit when you minus out the flood costs. Who knows what it's going to be next year? It's not sustainable. We, on the other hand Mr. Speaker, don't have the luxury of being able to run a deficit in our operating budget. We have to run a balanced budget and at the same time we have these ongoing challenges. We're not getting the revenues we've been asking for from the Provincial Government. We're going to have to start relying upon ourselves. We're going to have to start relying upon our existing forms of funding to address which probably means by and large property taxes to start to address a lot of the infrastructure deficit. This is not going to be very easy, Mr. Speaker but we…it's crucial that if we're going to do that, we have to do that in a balanced way which includes this option so I want to thank the Chair for bringing it forward and considering this as we go forward. And we…I mean I believe we should, we have to do it in co-operation with our employees and find ways and solutions to make this work, so thank you.

Mr. Speaker: Councillor Swandel.

Councillor Swandel: Thank you, Mr. Speaker. Good to have this conversation here. I want to start by saying I neither support or don't support managed competition. I want to see what a process it involves managed competition brings to the table so that I can make an informed decision of whether or not we should proceed. I think we all need to settle down a little bit here. This is not a debate between the labour movement and private business or desire to contract everything out. This Council has long had I think since 1999 or 2000, maybe a little later than that, a policy where each year we're supposed to be looking for Alternate Service Delivery options. One of the frustrations for the unions in the past was that they couldn't compete in that process and I've actually been in discussions where it's not really fair because you know we should be able to put some stuff forward and I recognize Councillor Mayes' comment is basically a competition for your own job but that being said, it's important to realize that we're supposed to be doing this on an annual basis. And what that Alternate Service Delivery process is, is a business case analysis, is to look at what we're doing. Can we do something different and will it make an improvement for the City either in the level of service improvement or bringing some other value to the equation. We tend to think of things a lot in just the perspective of costs and we forget the perspective of value. There's much has been said here that really isn't relative and a lot of it's going to get down to the same kind of arguments that we get when we get into the P3 debates. There's fundamental ideological divide here and you know we get this in P3s where P3s is something as simple as a contract and the terms of that contract to be negotiated and we decide whether or not we like the terms of the contract and we want to move ahead. Some people will make that decision purely based on ideology. Some people will make that decision based on value or even cost. But you know we don't want to be just at the front end saying we don't want anything to do with it and I think this gets a great deal more complicated. If you watch me stand here and sort of take the whips and scorns of my standing down the issue of the bendy buses because I think there is a value piece that has to be looked there and this is….who doesn't support the idea of improved transit service? I certainly do. I just don't…don't support it at any cost. And a lot of what we're going to do with this is you gotta look at what you're getting and where you're going and the considerations are far deeper than just the cost of the value. There's some much bigger considerations and implications for the organization. I know in floods in recent years. I wasn't here in 1997 but we've had a couple of very serious issues in recent years. The fact that we had temporary employees that we could get on the phone and call up to start operating sandbag machines is a very important piece of our disaster response in the City of Winnipeg so I mean, I believe in an efficient machine but I also believe in having a machine that has the capability and the capacity to respond to disasters or to respond in times of need. And I don't know what that equation is and I don't want to throw, I've got to say that and I don't want them

thrown them back in my face just as a political, oh you said we needed these temporary employees to save the city. I'm not saying that, there might be an alternative to that but it's the type of things that you need to consider. You can't just go, willy-nilly and say, no I don't like contracting out or I don't like managed competition or I think everything should be managed competition or everything should be contracted out. These have to be informed decisions and people around this Council or in this chamber have an obligation to look at them in depth that I think there is enough wisdom here and I certainly know that we are all committed to do…to improving our city and that putting these processes as part of it. You know, there's one that's not mentioned here and there might be some services in the city that are right for employee ownership and why can't we encourage some sort of entrepreneurial spirit within our employees that come and say to us, "Can we buy six lawn mowing machines on a forgivable loan and we'll deliver service somewhere." Is there an opportunity to do something like that? So, I mean, just a loosy-goosy example but there's certainly a lot of things that we can do here that or that we can look at and decide whether or not those are improvements or not and make an informed decision.

Mr. Speaker: Councillor Vandal.

Councillor Vandal: Thank you. It's been a good discussion. I want to briefly weigh in because obviously this is passionate for some people. I just want to make the point first of all that there's nothing in the report here that gives more power that than what or legislation than ASD already has. Since 1990 and I remember Councillor John Angus, 90-91 Councillor John Angus brought forward the entire ASD process which clearly mandated that we look at services, departments, things that the City of Winnipeg does and we benchmark it against best practices in other municipalities in the private sector and we know there is issues with numbers when you do that and if the will is there, there's nothing that prevents this Council right now from taking a public service and privatizing it. We can do that and we have done that in the past. What this report says is that we will look at managed competition and triple Ps as part of the ASD package. So we're not, in my mind, we're not going any further than what we already have because we're already, we can already do a whole gambit of options. So I think it's incumbent on us as policy makers to look at everything. And when I say look at everything, we have to look at our own budget and we have to look at those departments that are growing way more than inflation and take the proportionate amount of the money because there's efficiencies there, too and we know, we're talking about the emergency services. I mean, there's no way that we can keep growing at that rate forever without taxing our citizens double digits and nobody's going to do that, Mr. Speaker. So we have to put everything on the table. We have to look at everything, all departments and start with our operating budget and just look at the numbers and see where those growth areas are and how we're going to manage that over the long term. Mr. Speaker, the devil is in the details. I know there is a process that the Chair is going to go through and that's going to be publicly bulletined and notified, there's going to be an agenda and I'll repeat what Councillor Mayes says. I mean, I've been reelected five times and I can count on two hands the number of times people have told me about the inefficiency and the recreational workers making too much money and you've really got to nail that down because that issue is not there, not in my ward, I come from a working class ward although it's…a lot of it is in a suburban area at this point. But the devil is in the details so I think because of the fact we're not really reaching any further than what's the authority that we already have. I'm going to support this as I did at Executive Committee and follow the file as it unfolds.

Mr. Speaker: Mayor Katz.

Mayor Katz: Thank you, Mr. Speaker. These types of discussions have taken place in the past and sometimes I find it really unfortunate because ideology is not a word that I ever use in my normal vocabulary. I started hearing here on a regular basis. And the very first comment I heard, is about, this is about ideology and yet the same comment was the Mayor of San Diego is a Republican. Who cares what the Mayor of San Diego is? It was just pointed out that the Councillor who introduced ASDs was a Liberal, Mr. Speaker. John Angus. He was a Liberal, okay. So I don't care where they're Republican or Democrat or you're a member of the N.D.P., the Liberals or the Conservatives, we're all here to represent the people, okay. Now, earlier today, this morning we heard Mike Davidson, his comments and we appreciate the opportunity. And you know what, Mr. Speaker, we all know that there are many Councillors sitting here right now that have phenomenal support from the unions and C.U.P.E. We know where there are some who are the exact opposite, okay? I probably fall into that category of close to the exact opposite you know, when there are phone calls being made to widows that if Mayor Katz gets re-elected, you're going to lose your husband's pensions which was unadulterated nonsense but here is the key Mr. Speaker, I'm not indebted to anybody. The realities are I will represent the people and do what's right. Example. Contract negotiations. I sat down with Mike Davidson and others representing C.U.P.E. and had many discussions on that and when our department came up with a proposal, I supported it, just earlier today we had a discussion on pension. Okay let me remind you the vote on EPC before it got to me was three for and three against. I had to break the tie and I support the pension because I thought it was the right thing to do. But Mr. Speaker it can't always be carte blanche. Don't you all want to do the best you can do? Don't you want the City to be the best it can be? There is one quote in here and this is where Scott Fielding's, I never saw this till this morning, from one of their Council members, "I love that City workers when given an opportunity, can find ways to save taxpayers money without jeopardizing the quality of service they provide." Is there anybody here that could possibly be against that? I don't think

so, Mr. Speaker. And you've heard so many conversations about garbage and 311. I was in the middle of that, Mr. Speaker from beginning to end and I guess what was not mentioned was that our City had already contracted out a large part of garbage collection and this was for the balance of the City. And I worked with the unions tirelessly to try and bring them to the table and got this close, except no one was prepared to put it in writing. With 311, they stood up and not only did they match the private sector, they were better. And they are doing the job, Mr. Speaker. That's just reality and just as a friendly reminder, and I know that everybody should know, we still track complaints on garbage removal. They came in ten years ago. They're coming in today. You could check with the department. The last report I got, complaints were down Mr. Speaker, and another comment about competition. You know what, there is lots of competition out there for our garbage service. If anybody says there's no competition, they know not what they speak, Mr. Speaker to be very frank with you, but what I don't really get here is all we're looking for is value. We are not doing anything different with this proposal than already exists, okay? So you know what, I can assure you that Mike Davidson can stand tall and represent C.U.P.E. He can do that and we all are representing all the citizens of the City which include the members of C.U.P.E., all of them, Mr. Speaker, so why would we not at least want to explore to see if we can do better. Why would we not want to talk to C.U.P.E. and see if they have suggestions to make our city better? I have those conversations with Mike Davidson on a regular basis, ideas. If there's any ideas on how to make the City better, we're all looking for efficiencies and if we think we're perfect, if we think we're doing everything perfect right now and what…we can't do better, we're in big trouble, Mr. Speaker. I will be supporting this.

Mr. Speaker: Seeing no other speakers on the list, I'll ask Councillor Fielding to close.

Councillor Fielding: Thank you Mr. Speaker, thank you Mr. Mayor for your comments on it. You know, the word ideology came up too and from my opinion what this is is common sense. It truly is. Some other comments that came up in terms of workers being laid off. Well, as everyone knows there's a re-deployment clause within the C.U.P.E agreements, that's (inaudible) to a certain extent…I'm not ecstatic with that clause to be quite honest with you but on the record many times to say I'm not but it is a part of the collective agreement that is there so workers would obviously have an opportunity to be redeployed in some capacity for it. But really what this is about…it's about representing taxpayers. I mean, everyone is a taxpayer whether you're a union, whether you're a union leader, whether you're a part of a union, everyone wants good value for money and that's exactly what this process is about. It's about getting better value for taxpayer dollars. My concern here is a little bit… Why would we want to measure? You know, at the end of the day, you always hear you know, you'll probably hear Councillor Gerbasi or Councillor Eadie probably talking when I'm gone, we've got quite the young Councillor Fielding, he's always talking about efficiencies and everything else to a certain extent but you know, I mean, shut that down though, shut that down, be a part of the process. Let's evaluate, let's measure how effective we are in these services then at that point we know, are we cost effective in these areas. Doesn't necessarily mean we need to make those choices on an annual basis for it, but it allows us to evaluate if we're effective for it and then you can argue you could stand up and say we are getting great value for money. We are getting great value so it's a process, it's…I think it's transparent process that allows taxpayers to have a say and we can evaluate what's happened, what we can provide that service for, the private sector or the government unions that are there. We looked at some examples in the United States where you're seeing that the union's actually won a lot of these bids so I think it make a lot of sense. You know, in every aspect of life where if you want to run a business, small non-profit organization, you know everything else that…you've got to look at…you've got to continually evaluate even in your life. You know, in terms of how you're spending your money, where you're…everything is going on. You always have to evaluate how you're spending money. Can you be better? And this process is exactly that, it measures how effective we are. Can we save some money? Does it make sense to do it in a lot of respects. Couple of other points, that Economic Opportunity Commission. You know, it's the report that I was involved in my first six months in Council. I'm very proud of that report, very proud of that report. And even at that time you know, when a report came forward for, you know, there's even members of Executive Policy Committee, people that are more affiliated with, say you're never going to get this done. You're never going to get this done, but I actually I went through this report actually a few weeks ago and beyond some of the contracting-out piece that we had there, and there was some aggressive targets we've talked about, the vast majority of this stuff that was in this Economic Opportunity Commission. we've actually worked on. We've actually worked and implemented a lot of it, okay so it makes a lot of sense. P3s. P3s are also a part of this. There is a perfect example that we had in the last six months in terms of P3s, how effective they are. Chief Peguis Trail and Councillor Browaty gets up, was heavily involved in this and as we know the process ended a year early. They were out a year early and we were on time and on budget for it. It also reduced the risks that are there so, are we going to P3 everything? No, but you think you've got to make an evaluation you know on a case by case basis. You look at an item. I know there has been a motion that was brought forward by Councillor Sharma and Councillor Havixbeck in terms of how we evaluate them. Maybe, it's an idea you P3 some of those ring road I think makes a lot more sense. I've been a big supporter of the bus rapid transit. I think the money should be spent there as opposed to BRT, myself. What I'm saying is you've got to evaluate everything on a cost on a one off basis and this is exactly what this does. It'll allow us to measure, it brings us back. Doesn't mean we're going to trigger on it, but allows us to measure and I think it's a transparent process. You know, the unions are involved. They are at the table for. It's worked well in the past with 311, It's worth well in the United States to save taxpayer dollars. We know that cost pressures that we're having through

Police and Fire, and they're continually going on and so I think it makes a lot of sense and at the very least, this provides us more information, maybe at the end of the day proves out that we're…as a cost effective as basis so I think Councillor Wyatt might have some comments here in this too. So anyway, thank you very much Mr. Speaker and I encourage everyone to support this for this measurement and we'll get more information at that point. Thank you.

Mr. Speaker: Call the question on Item 2 of the Alternate Services Committee. All those in…recorded vote? Okay. Recorded vote. All those in favour, please rise.

A RECORDED VOTE was taken the result being as follows:

Yeas

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

Nays

Councillors Eadie, Gerbasi, Mayes,Orlikow.

City Clerk: The vote Mr. Speaker, Yeas 11, Nays 4.

Mr. Speaker: Motion is declared passed and Councillor Browaty would like to move that we adjourn and we will ask for roll call.

ROLL CALL

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

Council adjourned at 12:39 p.m.