EXECUTIVE POLICY COMMITTEE

QUESTION PERIOD

Minute No. 333
In reference to the 2013 Manitoba Marathon, Councillor Mayes questioned if the City was going to continue to provide police services at no cost to the marathon; noting that the City has been a great supporter of the marathon in the past and he had full confidence the Manitoba Marathon remained a safe and very important event.

His Worship Mayor Katz acknowledged that there were a lot of marathons, half marathons, walks, and several events happening on the same day that put a strain on resources but it would not be reasonable, with the amount of notice that would be provided now, to change for 2013. He stated that there would be no new charges for 2013 but the Winnipeg Police Service was looking to implement something for 2014.

Councillor Smith referred to Item 8 of the Report of the Executive Policy Committee dated April 13, 2013, "Consultant Assignments for January 1 to December 31, 2012, under the category "Other than Capital Only" the City issued 27 contracts to outside lawyers at a cost of $643,444, or 21% of the total payment for 2012, and questioned if that was not a good reason to consider an expansion of the City's Legal Services Department.

His Worship suggested that they could have a debate on which makes more sense; using more outside and less in or building a department. He added that the City does not have access to the expertise in a lot of the projects they do and a great deal of expertise on these was needed, otherwise it could cost millions of dollars if there was a mistake and the City was sued. So, in order to protect the citizens and make sure the "i"s and "t"s are dotted and crossed, and all the minutia dealt with, the Mayor suggested it was a very good investment when dealing with projects where they are spending 20, 50, 250 million dollars.

Councillor Havixbeck asked how many full time equivalent employees were on the payroll as of March 31, 2013. His Worship responded that he understood that Councillor Havixbeck already asked the Chief Operating Officer that question and had a written answer but would be more than happy to look into it and give her the numbers.

Councillor Havixbeck noted that during 2013 budget deliberations the issue of returning the 40,000 increase to ward allowances arose, at which point it was indicated that Councillors could return the money if they did not want it, and questioned why she has since been told that the money could not be returned until year end. His Worship stated emphatically that every Councillor can return any amount of money they do not use.

Executive Policy Committee – Question Period (continued):

Councillor Havixbeck questioned if the Mayor would provide a Council Seminar so all Councillors could learn what was happening with negotiations to extend water and sewer to CentrePort and be well versed and have some understanding of the negotiations when this very important issue goes to Council.

His Worship indicated that he obtained a copy of the Chief Operating Officers email to Councillor Havixbeck and it stated "2013 Preliminary Operating Budget, Financial Summary, page 1, identifies total FTE's for the Public Service of 8,763".

In response to the CentrePort inquiry, His Worship advised that The City of Winnipeg had been very much prepared to provide services to CentrePort the same way they were doing to West St. Paul. His Worship indicated that the lawsuit by Band 39 and 40, and concerns expressed by the International Joint Commission, had held it up. He added that the City entered into an agreement for sewer services with West St. Paul and put that same proposal to Rosser approximately six weeks ago and he had not heard anything back. His Worship also stated that a number of stakeholders had come forward and were asking the Province to annex that piece of land so the City could provide all the services immediately. He concluded that he would be happy to arrange a Council Seminar so the Administration could advise exactly what was going on and show how much the City of Winnipeg had done to make sure this becomes a reality.

In reference to the Provincial Budget that had not been passed yet, Councillor Eadie questioned if the Mayor and the Administration would work diligently with the Local Government Minister's Office to ensure that the extra 7 million the province was offering to put into the plan goes toward fixing local streets.

His Worship replied that was definitely one of the priorities and they would work hard to address that concern. He added that they were beyond disappointed that the so-called 7 million was conditional and had to be matched and the Province got to decide which projects would happen. By the same token, as long as they were good projects, the number one priority was to get as many streets fixed as they possibly could.

Councillor Eadie inquired if His Worship made a comment in the debate that grocery stores need to come to him with their plan and questioned if Neechi Commons brought a plan and requested some sort of help to provide groceries in the North End. His Worship noted that Neechi Commons went to the Administration, the Mayor and the ward Councillor, Councillor Eadie, regarding incremental taxes.

Executive Policy Committee – Question Period (continued):

Councillor Eadie asked if the Mayor would acknowledge that there was a need for grocery stores and CentreVenture does not deal with anything outside of the downtown boundaries. His Worship stated that he has already gone on the record and said there was a need for grocery stores and CentreVenture did not represent the North End. He added that it would be nice if they could come up with a model through CentreVenture's hard work that could be used for other parts of the City if that need arises as opposed to trying to figure on a one-off scenario.

Councillor Swandel suggested that the Mayor was not happy with the Provincial Budget, in particular, the one percent Provincial Sales tax increase, and questioned if the Mayor had some conversations with the Premier about municipalities having a voice at the table of how to spend the money and put the money to work, recognizing that there might be some immediate financial issues that need to be dealt with. Councillor Swandel also inquired if the Mayor had considered the newly created Cities' Forum of the Association of Manitoba Municipalities as a vehicle to participate in that conversation.

His Worship confirmed that on the morning of the budget, the Premier called and they spoke about a few things. Unfortunately, when the budgets were done an audit was almost required to determine what exactly the City was getting and if it was more or less. His Worship stated that many municipalities throughout the Province were extremely disappointed. For two years they had been asking for one percent of existing PST to go to municipalities to deal with the infrastructure deficit. That would represent about 152 million for the City of Winnipeg and that was long term and every year. He advised that in the last twelve months, there had been an increase in taxes of almost half a billion dollars and if municipalities were not getting that one percent he believed that the Provincial Government should sit down with all municipalities and try to address a long-term solution to the infrastructure deficit. His Worship concluded that they would have to take some form of action that was yet to be determined and still needed to move forward and address the infrastructure crisis.

Councillor Swandel noted that Council put increased funding in the budget for Dutch Elm Disease and left a condition in there for the Province to be involved and questioned if the Provincial Government would provide match up funding.

His Worship replied that approximately 1.9 million was allocated by the City to address Dutch Elm Disease and the Province was asked to match it but no money was put in the Provincial Budget for Dutch Elm Disease.

Councillor Swandel stated that Council had not included in the budget the one percent provincial sales tax (PST) increase, which was going to create an expense for the City in the very near future, and asked the Mayor where he might be going on that particular issue.

Executive Policy Committee – Question Period (continued):

His Worship stated that it is his understanding, from speaking with the Chief Financial Officer, that if there was a provincial sales tax increase from seven to eight percent it would cost the City approximately $1.4 million. He further advised that the City of Winnipeg and the Association of Manitoba Municipalities had asked on numerous occasions to have the Provincial Government refund the City of Winnipeg the PST, which was just under 12 million, similar to the way the Federal Government refunds the GST and, so far, the answer has been no. His Worship added that the Provincial Government in this budget had basically wiped out Payment in Lieu of Taxes (PILT) and would not be paying their taxes and were now calling it a grant. He concluded that the two examples show $7.4 million which no longer existed and the City was not really getting any more money.

Councillor Wyatt questioned what the Mayor was going to do with the growing infrastructure deficit and the fact that the Provincial Government and the Premier of this Province had clearly abandoned the City of Winnipeg and the infrastructure crisis it was facing today.

His Worship acknowledged that there was a crisis situation with infrastructure. The citizens knew how bad the streets were that they were driving on and the sidewalks they were walking on. Swimming pools were falling apart and were closed, parkades were in the same situation; not safe. Significant investment was needed for libraries, community centres, firehall and paramedic stations, police stations. The list goes on and on and it could not be done with property taxes. He advised that the reality was Council was going to have to find a solution to a very, very serious problem because it appeared the Provincial Government was not interested.

Councillor Wyatt noted that last year the City proposed a menu of items to the Premier before the budget suggesting different ideas, one of them was to raise gas taxes. The Premier did so and kept the money. Previous to that, Council suggested the Premier look at the option of vehicle registrations. He raised it and he kept the money. And now, after years of lobbying for a sales tax, he was raising it and out of $278 million, $7 million is coming back to the citizen of Winnipeg. Councillor Wyatt stated that it was the largest single tax grab in the history of the Province by this Government and questioned what the City was going to do to address the challenges faced now that the Provincial Government had abandoned the City of Winnipeg.

His Worship responded that he wished he knew what they would do and acknowledged the seriousness of the infrastructure crisis. He advised that many ideas had been sent, through emails and letter to the Premier and the Provincial Government. They certainly liked the ideas and took the money. He indicated that he did not know what else they could do but council was going to have to figure it out and it was not going to be easy or fun.