David M. Sanders, M.A., LL.B.
907-885 Wilkes Avenue
Winnipeg MB R3P 1J3

October 21, 2013

Chair and Members
Executive Policy Committee
The City of Winnipeg
510 Main Street
Winnipeg MB

Executive Policy Committee Special Meeting – 2:00 p.m. Monday, October 21, 2013

Re: Audit Committee
Item #1 – Report to Winnipeg City Council
– New Fire Paramedic Stations Construction Project

I understand that the City Auditor's consultants, from Ernst & Young's office in Ottawa, have completed their Report on their external review of the City's new Fire Paramedic Stations Construction Project, and that they are with us today to present their Report to a special closed Council seminar this morning, and this special public meeting of Executive Policy Committee this afternoon.

I am looking forward to full disclosure of what was done, at what cost, by whom, and why, and with what result – a comprehensive review of the processes followed and outcomes achieved to construct four new Fire Paramedic Stations for the City. Where required, the consultants were instructed to conduct a **forensic** investigation.

That is, if the consultants found evidence that crimes may have been committed, they were required to present that evidence for the consideration of our legal authorities.

The scope of the project specifically included the following matters:

a) Capital Project Oversight
b) Capital Budget Processes
c) Procurement
d) Project Management
e) Land Acquisition, Sales and Disposal
f) Legal Analysis pertaining to Real Estate Transactions
g) Municipal Legislation, Policy and Process Review
h) Real Estate Valuation
i) Decision Making and Process Analysis and Review

So whatever story we may hear very shortly, I wish to emphasize that this astounding demonstration of civic incompetence, misconduct and/or willful disregard for the principles of sound ethical public administration, perhaps even graft and corruption of public officials, involves not only the former Chief Administrative Officer, but many senior administrators in many different civic departments.

And the Mayor and members of Council and its Committees cannot escape responsibility either. If any Councillors say one more time that they have to trust their administrators, then I guess we have no need for those Councillors in the future. Councillors should listen to their professional advisers, but then make their own decisions as they were elected to do.

And any administrator who says, like the former CAO, that he was only aware of the project "at 50,000 feet," should just keep on flying with his head in the clouds, until he crashes and burns in someone else's city.

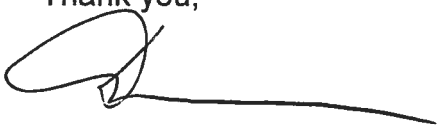
So I expect City Council to consider this Report and its recommendations very carefully, and to then take firm and deliberate action to put things right at City Hall.

I would start by revoking the delegation of all significant financial, contractual, personnel and land use decision-making authority throughout the Winnipeg Public Service, until the competence of each administrator and the appropriateness of their delegated authorities can be reviewed and approved by Council.

If Ernst and Young suggest that any actions which they examined may have been criminal in nature, then their Report should be referred immediately to the proper legal authorities.

Thank you. I shall have more to say tomorrow morning, and later, whenever the broader and probably more damning Real Estate Management Audit Report is presented by Ernst & Young.

Thank you,



David M. Sanders, M.A., LL.B.

River Heights-Fort Garry

David M. Sanders, M.A., LL.B.
907-885 Wilkes Avenue
Winnipeg MB R3P 1J3

October 21, 2013

Chair and Members
Executive Policy Committee
The City of Winnipeg
510 Main Street
Winnipeg MB

Addendum: New Fire Paramedic Stations Construction Report

Since some details have leaked out this morning, I would add the following now:

1. How can you possibly audit such a project without interviewing the Mayor and City Councillors? Unless, you are prepared to believe that City Council has no authority and responsibility for these matters, and I certainly don't believe that, then we will not have the full story unless they are also interrogated.

2. Before the more far-reaching and significant audit report on **all** the City's Real Estate Management and transactions during the last five years is completed, the City Auditor must instruct Ernst & Young to interview all present and former Councillors during the relevant time period. We have waited this long, so let's be sure we get the whole story on how our civic administration has sunk so low.

Thank you,

David M. Sanders, M.A., LL.B.
River Heights-Fort Garry