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

November 13, 2013

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

Re: Executive Policy Committee – 9:00 a.m. Wednesday, November 13, 2013

(a) Report 1. Establishment of Winnipeg Code of Conduct Committee and Disclosure Process

(b) Addendum Reports:
7. Award of Contract for the Provision of Telephone System Infrastructure, Related Equipment and Systems, and Cellular Wireless Services - Bid Opportunity 695-2012.

(c) SPC on Finance
1. Cross Jurisdictional Review - Delegated Financial Authority

I am appearing today in opposition to the recommendations which EPC has received on the aforementioned matters.

Report 1. Establishment of Winnipeg Code of Conduct Committee and Disclosure Process

I am pleased that the Winnipeg Public Service has finally responded to the request first raised at City Council eight months ago. And I am very disappointed in the result.

The report fails to mention that the hard-to-find “Employee Code of Conduct” was adopted by Council way back in 2001, as required by section 89.1 of *The City of Winnipeg Charter*:

Employee code of conduct

89.1(1) Council must establish a code of conduct for employees that includes conflict of interest rules.

Content: conflict of interest rules

89.1(2) The conflict of interest rules must

(a) set out the types of conduct that are prohibited, which must include prohibiting an employee from

(i) using information that is obtained as a result of his or her employment and that is not available to the public to further, or seek to further, his or her private interests or those of his or her dependants, or to seek to improperly further another person's private interests, or

(ii) using his or her position to seek to influence a decision of another person so as to further the employee's private interests or those of his or her dependants or to improperly further another person's private interests; and

(b) specify the procedure an employee is to follow if the employee suspects that he or she may be in a conflict of interest and the procedure for resolving a conflict.

The report states that the text of the Code of Conduct is only available on the City's internal website (CityNet). This is true, unless interested citizens know enough to look at for the old minutes of City Council for March 2001 on the public DMIS site.

The Code should be posted on the City's main public website forthwith, so that the general public may understand what the expectations of City employees are, and how to lodge a complaint.

The proposal to institute an annual employee electronic reminder and sign-off regarding potential conflicts of interest is a good one, already used by many private sector organizations. Note that this must involve not only potential benefits to the employee or family, but also **the possibility of improperly furthering <u>another</u> person's private interests**.

I find the report focuses almost entirely on the protection of the employees' privacy rights – which is really not the question at all. **What has been missing is employee awareness of the Code, regular employee disclosure of potential conflicts within the City administration as required by the Code, and effective enforcement of the Code by City administrators. Also protection for the "whistle-blower."**

Furthermore, and I find this totally inexplicable, **EPC has failed to establish the Code of Conduct Committee,** including at least three members of EPC, which is required to investigate and take remedial action with respect to the statutory officers, including the former Chief Administrative Officer, the present Interim Acting Chief Administrative Officer, and the Chief Financial Officer, who all figure prominently in the decision-making with respect to both the New Fire Paramedic Station Stations Construction Project and the New Police Service Headquarters Redevelopment Project.

As a citizen, I demand that EPC now establish the Code of Conduct Committee.

Addendum Reports:

7. Award of Contract for the Provision of Telephone System Infrastructure, Related Equipment and Systems, and Cellular Wireless Services - Bid Opportunity 695-2012.

This is another example of a major financial commitment being rushed onto EPC and Council agendas at the last minute, because of the inability or reluctance of the civic administration to bring the matter forward until now, just before existing telecommunications contracts expire on November 30th. The bid opportunity was issued a year ago. Far too many decisions are rushed at the last minute.

The recommendations before you involve a potentially problematic situation where one supplier will succeed at the expense of another supplier during the next five years, with Council approving separate "conditional" contracts of $7.8 million and $6.1million for competing technologies, with the assurance that the administration will manage the two contracts so as to limit the total expenditures for both to $6.6 million, for a suggested saving of $1.5 million over five years. But if the VOIP alternative is not adopted, there will be no such saving.

I suggest that given EPC's previous failures to read the fine print, EPC review the "conditional" clauses in the proposed contract documentation before seeking Council approval, and that the administration be instructed to provide quarterly status reports to the Finance Committee on the progress of this major project.

The recommendations before you do not indicate just who is to be given authority to execute these large contracts.

Report - SPC on Finance – November 7, 2013
Item No.1 Cross Jurisdictional Review - Delegated Financial Authority

I am attaching a copy of my presentation to the November 7 meeting of the Standing Policy Committee on Finance, regarding the report and recommendations finally received from the Winnipeg Public Service.

In addition to the **wholly inadequate** recommendation now before you, which is admitted to place almost no significant additional restrictions on the financial authority Council has delegated to its administration, Finance Committee also requested that the WPS undertake a further review "to ensure consistency with the New Fire Paramedic Stations Construction Project Audit Report and report back to the Committee in two months."

At the very same meeting, Finance Committee obediently concurred in the WPS recommendation that it receive Financial Status Report No. 3 for the Winnipeg Police Service Headquarters Redevelopment Project "as information," and stated that "Nil" action is required in response to that shocking report.

If ever there was an example of what is wrong with City Council's almost complete abdication of responsibility for the financial commitments being made without its oversight, the New Police HQ project is it.

As a citizen, I demand that EPC address the huge problems with the delegation of financial authority for this project, as outlined in the Financial Status Report and as reported in the press, and bring the matter forward to City Council for a full and public debate. Next week.

You cannot sweep this one under the rug at City Hall. There is no more room under the carpet here.

Thank you,

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

River Heights-Fort Garry