

Minute No. 35

Report - Executive Policy Committee - November 12, 2008

**Item No. 5 Alternate Service Model - City of Winnipeg Utility Corporation
eFile GL-5.6.1**

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the concept of a City owned Municipal Corporate Utility be explored as a new arm's length business model to operate city owned utilities, and the Winnipeg Public Service be directed to conduct a due diligence process and identify legislative authorities required to establish and operate the Municipal Corporate Utility and report back to Council for a decision.
2. That the Winnipeg Public Service be authorized to begin the procurement of a Strategic Partner that could bring private sector experience to the design, construction, finance and potentially the operation of the North and South End Water Pollution Control Centers as well as potential operation of the West End Water Pollution Control Center, and that the Chief Administrative Officer be authorized to approve and issue the Request for Expressions of Interest followed by a Request for Qualifications and the Request for Proposals.
3. That the Province of Manitoba be requested make the necessary legislative changes to ensure that future water and sewer rates proposed by the Municipal Corporate Utility be reviewed and approved by the Public Utilities Board.
4. That the following new 2009 capital projects be approved:
 - A. Municipal Corporate Utility Business Plan in the amount of \$1,250,000 (\$625,000 in the Waterworks Fund and \$625,000 in the Sewage Disposal Fund).
 - B. Strategic Partner Development, in the amount of \$3,000,000 (Sewage Disposal Fund).
5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Katz,

That the recommendation of the Executive Policy Committee be adopted.

Moved by Councillor Gerbasi,

Seconded by Councillor Vandal,

WHEREAS the Alternate Service Delivery (ASD) process is being bypassed and Council is fast tracking the new Corporate Utility model and the procurement of a Private Partner for the design, construction, finance and potentially the operation of our Water treatment facilities;

AND WHEREAS the Deloitte "Proof of Concept" report does not constitute a detailed feasibility study that compares the proposed P3 and Utility Model with other options but is simply making a case for one model;

AND WHEREAS there has been a lack of opportunity for public input into this proposed drastic governance change to a core City of Winnipeg Department and in the consideration of having a private company potentially operate the city's water treatment facilities;

THEREFORE BE IT RESOLVED THAT the item be referred to the Alternate Service Delivery Committee and that a study that compares the proposed Corporate Utility Model and proposed private partnership with other options be made public;

AND BE IT FURTHER RESOLVED THAT the Public Service undertake to hold extensive public consultation with community groups, business groups and citizens.

The motion to refer was put.

His Worship Mayor Katz called for the yeas and nays, which were as follows:

Yea: Councillors Gerbasi, Smith, Thomas, Vandal and Wyatt. 5

Nay: His Worship Mayor Katz, Councillors Browaty, Fielding, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel, and Lazarenko. 9

and the motion to refer was declared lost.

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DECISION MAKING HISTORY (continued)

The Speaker advised that at the request of Councillor Swandel, Recommendations 1 and 2 would be considered separately from the remainder of the recommendations.

The motion for the adoption of Recommendation 1 was put.

Councillor Gerbasi called for the yeas and nays, which were as follows:

Yea: His Worship Mayor Katz, Councillors Browaty, Fielding, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel, Wyatt and Lazarenko. 10

Nay: Councillors Gerbasi, Smith, Thomas and Vandal. 4

and the motion for the adoption of Recommendation 1 was declared carried.

The motion for the adoption of Recommendation 2 was put.

Councillor Gerbasi called for the yeas and nays, which were as follows:

Yea: His Worship Mayor Katz, Councillors Browaty, Fielding, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel, Wyatt and Lazarenko. 10

Nay: Councillors Gerbasi, Smith, Thomas and Vandal 4

and the motion for the adoption of Recommendation 2 was declared carried.

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DECISION MAKING HISTORY (continued)

The motion for the adoption of the remainder of the Recommendations was put.

Councillor Gerbasi called for the yeas and nays, which were as follows:

Yea: His Worship Mayor Katz, Councillors Browaty, Fielding, Nordman, O'Shaughnessy, Pagtakhan, Steeves, Swandel, Wyatt and Lazarenko. 10

Nay: Councillors Gerbasi, Smith, Thomas and Vandal. 4

and the motion for the adoption of the remainder of the Recommendations was declared carried.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On November 12, 2008, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service, as amended, namely:

- That the word "approve" in the first line of recommendation 1 be replaced with the word "explore,"

and submitted the matter to Council.

On November 12, 2008, the Executive Policy Committee also received the following copies of presentations in opposition to the Alternate Service Model – City of Winnipeg Utility Corporation:

- Mike Davidson, President, Canadian Union of Public Employees (CUPE) Local 500
- Liam Martin, Winnipeg Citizens' Coalition

Further, on November 12, 2008, the Executive Policy Committee received a communication dated November 12, 2008 from Phyllis Watson, Provincial Council of Women, Council of Women in Winnipeg with respect to the Alternate Service Model – City of Winnipeg Utility Corporation.