

From: David Sanders []
Sent: Monday, September 29, 2014 7:31 AM
To: Chris Lorenc
Subject: Re: MHCA Municipal Infrastructure Investment Strategy

Hi Chris:

I look forward to working with you and the members of the Manitoba Heavy Construction Association, to negotiate a ground-breaking Manitoba Municipal Infrastructure Funding Agreement (MIFA) in collaboration with the federal and provincial governments and the AMM. As Deputy Minister of Urban Affairs in 1976-83, I gained considerable experience in the negotiation of tri-level intergovernmental agreements, and I believe I am especially well-qualified to find the way ahead today.

I am prepared to be a visible and vocal champion for long term investment in civic infrastructure, guided by the MHCA's suggested six principles, as follows:

1. The investment plan should be permanent, since the need for rehabilitation, replacement, and expansion of civic infrastructure is ongoing.
2. The plans should focus on investments which will enhance economic growth and sustain existing productive assets.
3. We must be particularly alert to find opportunities for innovation in design, materials used and program management best practices, which should be employed to stretch the service life and reduce infrastructure life cycle maintenance costs, thereby extending the value of available program dollars.
4. We need to harness partnerships with the private sector, and find ways of managing the flow of tenders and construction work in relation to the available capacity of the industry.
5. Where clearly appropriate, we should dedicate specific revenue streams to these purposes in a transparent, transitional and accountable manner.
6. Our investment plan should have required periodic transparent public reviews requiring accountability for expenditures, enabling us to make improvements and adjustments for the future.

I believe the Infrastructure Funding Council (IFC) May 2011 report entitled '*New Relationships: A New Order, A balanced approach to funding municipal infrastructure in Manitoba*' provides an excellent starting point for a serious review of City of Winnipeg practices and procedures by the new City Council and new senior administration, in conjunction with the overdue consideration of the recommendations of the recent KPMG Operational Review of the Public Works Department.

City Council certainly needs to maintain the recent commitment to increase annual funding of regional and residential streets, although the amounts presently designated are clearly not enough to address the annual infrastructure deficit.

Accordingly, given the municipal governments' lack of fiscal capacity to deal with the present and forecast infrastructure deficits, I would agree to call on the Premier of Manitoba to establish an intergovernmental collaborative process, at both the political and administrative levels, to work together on new fiscal arrangements which will bring municipal revenues in line with municipal responsibilities. Personally, I would favour a further shift in education costs, from the property tax base to the broader provincial tax base, leaving greater room for municipal revenue growth. But I also believe we should approach this major policy challenge with an open mind and a sincere commitment to find workable solutions.

With the support of all stakeholders, the Government of Manitoba, the Association of Manitoba Municipalities (AMM) and the City of Winnipeg should jointly pursue a national strategy pressing the federal government to commit to an enhanced and permanent role in funding Canada's municipal core infrastructure.

Thank you!

David M. Sanders

Candidate for Mayor of Winnipeg