



ASSOCIATION OF MANITOBA MUNICIPALITIES

**MEETING WITH**

Honourable Bill Blaikie  
Minister of Conservation

February 26, 2010

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## Executive Summary

### Departmental Issues

#### *1. A Permanent Household Hazardous Waste and Electronic Waste Program*

- A long standing issue for municipalities is the proper disposal of household hazardous and electronic waste as they pose serious environmental liabilities when dumped in municipal landfills.
- The tremendous demand exhibited in at temporary drop off sites and one day round ups, show the need for a permanent solution.
- The AMM was pleased to see the commitment in the recent Throne Speech to move forward with the extended producer responsibility model in the coming year for these waste streams, as well as the approval of the regulation in early February.
- The AMM is now looking to working with the Province and the industry groups to move this forward and establish permanent collection sites across Manitoba.
- For these programs to be successful it is critical that collection sites are spread across the province and collection is not centralized in a few areas.
- It is also critical that financial responsibility for the programs not be passed on to municipalities, as municipalities cannot cover the cost without access to additional revenues.

**Therefore the AMM looks forward to seeing permanent household hazardous waste and electronic waste programs implemented in Manitoba that provide reasonable access to all areas of the province and are funded by industry.**

#### *2. Waste Reduction and Recycling Support Levy*

- In last year's Provincial budget the government introduced a new \$10 levy on material entering municipal landfills. The AMM was disappointed with the unilateral approach adopted in introducing this new levy as there was no prior discussion with municipalities.
- The AMM understands the desire to create incentives to promote recycling however it is critical that the system does not punish those municipalities that are behind the curve on recycling efforts.
- The reality is that the levy may in fact become a disincentive to improve recycling programs by siphoning needed dollars out of the community. A better approach would be to target those municipalities that have below average programs and work with them to make improvements.

**Therefore the AMM would like to see the Waste Reduction and Recycling Levy enhanced to ensure all municipalities are supported in efforts to improve recycling systems.**

### *3. Printed Paper and Packaging Recycling*

- The AMM is pleased to see progress has been made on the transition to an industry led model for printed paper and packaging and we have been working closely with both the Province and industry throughout the process.
- The AMM is looking forward to April 1<sup>st</sup> when Multi-Material Stewardship Manitoba (MMSM) officially takes over responsibility for this waste stream.
- The AMM believes it is critical that the Province continues to play a role in supporting recycling efforts in Manitoba, even after MMSM takes control. There will no doubt be a transition period and we feel strongly that the Province has a role to play in ensuring the new system in a success.

**Therefore the AMM would like to see the Province continue to play a role in supporting recycling across Manitoba.**

### *4. Contaminated Sites*

- It is critical to ensure sufficient mechanisms are in place to eliminate the environmental and public health concerns associated with all contaminated and impacted mine and fuel storage sites in this province.
- The AMM was pleased that the Provincial Government set aside \$39 million for environmental stewardship as part of a larger \$165 million program to address government-owned sites and orphaned or abandoned sites.
- The AMM sees the completion of the contaminated site inventory available on the government website as an important first step in the cleanup effort; however the Province must now consider whether its current funding commitment is sufficient to have substantial immediate and long-term impacts on the remediation of contaminated sites.
- Where the responsible company can be identified, municipalities agree with legislated measures that hold these companies accountable for the required remediation. Furthermore, the addition of a set timeline for conducting this work would accelerate the required works.
- Allowing these sites to remain contaminated indefinitely deprives communities of the opportunity to pursue alternative uses for the location in question.
- Although the Province has made important strides in addressing contaminated sites in Manitoba, this effort would benefit from additional long-term funding and further criteria for remediation by private companies.

**Therefore, the AMM urges the Provincial Government to ensure that sufficient funding is available for required contaminated site remediation and to legislate a timeline for private companies to complete necessary remediation work.**

### *5. Rate for Problem Beaver Removal*

- Beavers are incredibly destructive and in many areas of the province pose a real threat to municipal infrastructure and there is little doubt that it is far more cost effective to invest money into preventing damage than to try to rebuild roads and bridges that are damaged due to beavers.
- The AMM is concerned that the current level of funding for the Problem Beaver Management Program is not adequate to maximize the program and ensure all problem beavers are dealt with.
- The AMM believes a higher per pelt subsidy is required and a total program funding increase is needed to accommodate a higher subsidy.
- While municipalities are working with community members to control the beaver population on municipal and private property, there are issues stemming from within Crown lands and the Province must enhance efforts.
- The AMM would also like to see the policies and guidelines for beaver management updated as these policies are outdated and should be updated to reflect advancements in new technology and new opportunities with conservation districts.

**Therefore, the AMM urges the Province to increase the overall funding for the problem beaver removal as well as implement a program to control beavers on Crown lands.**

### *6. Water and Wastewater Operator Certification*

- Municipalities continue to face obstacles in certifying water and wastewater operators and while the AMM appreciates the work of the Province in the last year to simplify some of the requirements further changes are required.
- The AMM is concerned with the expiration of conditional licenses that were granted when the regulation first took effect. The AMM understands a municipality may now apply for a conditional license on behalf of an operator if their first conditional license is expiring however this is not a long term solution.
- The challenge for municipalities is getting trained operators into their communities as it appears there are not enough trained operators in Manitoba.
- The AMM has been working with the Province and the Manitoba Water and Wastewater Association to explore whether designating water and wastewater

operators an apprenticed trade is a viable option to get more trained operators in the Province.

**Therefore the AMM urges the Province to improve training opportunities for operators in Manitoba to ensure there are enough operators in the province to meet requirements.**

### *7. Onsite Wastewater Management Systems Regulation*

- Municipalities continue to have concerns with the decision of Manitoba Conservation to amend the Onsite Wastewater Management Systems Regulation to ban the installation of sewage ejectors on new properties and require these types of systems be removed when landowners sell their property.
- Our membership firmly believes this is a gross overreaction lacking any real evidence that sewage ejectors pose a threat to human health or the environment.
- This decision by the Province has a substantial impact to municipalities since many homeowners will be required to move to holding tanks which will then be emptied into municipal treatment facilities which are already at capacity. The Province has not provided accompanying financial support for upgrading existing facilities, leaving municipalities to deal with the impacts of this regulation on their own.
- This regulatory change will also have a negative impact of property values in rural Manitoba as estimates for installing a septic field range from \$6,000 to \$20,000 depending on soil conditions. In many areas of the province housing values are not much more than the cost of removing these systems.
- The AMM is also concerned with the impact this decision will have on the assessed value of properties in the province, as we have already been told of instances where homeowners have successfully challenged their assessment. We are very concerned this regulatory change will have the end result of shifting the tax burden in some areas of the province.
- The AMM understands the desire of the Province to protect the environment and human health. However we fail to see how the province-wide ban of sewage ejectors meets these objectives.

**Therefore the AMM respectfully requests the Province amend the Onsite Wastewater Management Systems Regulation and remove the province-wide ban on sewage ejectors.**

## General Issue

### *The Core Challenges for Municipalities*

- Municipal government plays a greater role in the lives of Canadians than any other time in history and the new realities facing municipalities have serious repercussions as they diligently try to balance growing responsibilities with stagnant revenues.
- Municipal infrastructure is the very foundation of a community, yet its current state leaves communities with little hope for prosperity. Nationally the municipal infrastructure deficit is in excess of \$123 billion and provincially it is estimated at over \$11 billion, or a staggering \$10,000 per Manitoban.
- As well, municipal responsibilities continue to grow, either through the intentional or unintentional offloading of responsibilities or new unfunded mandates being forced on municipalities.
- Because of these challenges municipalities must have access to new sources of revenues. Options include the Province collecting a one cent municipal tax to be allocated to municipalities for infrastructure, a rebate of the Provincial Sales Tax paid by municipalities, or an increase to existing revenue sources such as VLTs. Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada and while in some cases these types of programs are necessary it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment. For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues. This is the only way municipalities will be able to even begin to address the core challenges they face.

### **Therefore the AMM would like to see:**

- 1. A greater investment in municipal infrastructure by all levels of government**
- 2. An end to the downloading of responsibilities to municipalities and a requirement that new mandates come with new funding**
- 3. A commitment to provide new alternate revenues to municipalities**

## Departmental Issues

### *1. A Permanent Household Hazardous Waste and Electronic Waste Program*

A long standing issue for municipalities is the proper disposal of household hazardous and electronic waste. AMM has long been advocating for a permanent program to deal with these two waste streams, as they pose serious environmental liabilities when dumped in municipal landfills.

The AMM has appreciated the commitment in recent years to temporary drop off sites and one day round ups, as this has led to the proper disposal or reuse of some of these materials, and diverted them from landfills. The tremendous demand exhibited for these temporary programs only further highlights the need for a permanent solution.

The AMM was pleased to see the commitment in the recent Throne Speech to move forward with the extended producer responsibility model in the coming year for these waste streams. We were also pleased to see the regulation published in early February as this is a critical step in moving the process along.

The AMM is now looking to working with the Province and the industry groups to move this forward and establish permanent collection sites across Manitoba. For these programs to be successful it is critical that collection sites are spread across the province and collection is not centralized in a few areas. It is also critical that financial responsibility for the programs not be passed on to municipalities, as municipalities cannot cover the cost without access to additional revenues.

**Therefore the AMM looks forward to seeing permanent household hazardous waste and electronic waste programs implemented in Manitoba that provide reasonable access to all areas of the province and are funded by industry.**

### *2. Waste Reduction and Recycling Support Levy*

In last year's Provincial budget the government introduced a new \$10 levy on material entering municipal landfills. The AMM was disappointed with the unilateral approach adopted in introducing this new levy as there was no prior discussion with

municipalities. Through discussions with your department we understand that some municipalities stand to gain from the new system while others will have added costs. The AMM understands the desire to create incentives to promote recycling however it is critical that the system does not punish those municipalities that are behind the curve on recycling efforts. The reality is that the levy may in fact become a disincentive to improve recycling programs by siphoning needed dollars out of the community. A better approach would be to target those municipalities that have below average programs and work with them to make improvements.

**Therefore the AMM would like to see the Waste Reduction and Recycling Levy enhanced to ensure all municipalities are supported in efforts to improve recycling systems.**

### *3. Printed Paper and Packaging Recycling*

The AMM is pleased to see progress has been made on the transition to an industry led model for printed paper and packaging and we have been working closely with both the Province and industry throughout the process. The AMM is looking forward to April 1<sup>st</sup> when Multi-Material Stewardship Manitoba (MMSM) officially takes over responsibility for this waste stream.

The AMM believes it is critical that the Province continues to play a role in supporting recycling efforts in Manitoba, even after MMSM takes control. There will no doubt be a transition period and we feel strongly that the Province has a role to play in ensuring the new system in a success.

**Therefore the AMM would like to see the Province continue to play a role in supporting recycling across Manitoba.**

### *4. Contaminated Sites*

Across Manitoba, municipalities are facing environmental and health hazards as a result of contaminated sites in their communities. While the Province has committed funding to the remediation of selected sites which will result in considerable environmental benefits for the affected communities, the problem of the high cost of remediation remains. Although brownfields are often more efficient sites for

development due to their proximity to existing infrastructure, the remediation costs often present an overwhelming obstacle to restoring these sites in a timely manner. Therefore, there is a critical need to ensure sufficient mechanisms are in place to eliminate the environmental and public health concerns associated with all contaminated and impacted mine and fuel storage sites in this province.

The AMM was pleased that the Provincial Government set aside \$39 million for environmental stewardship as part of a larger \$165 million program to address government-owned sites and orphaned or abandoned sites. Projects such as the brownfield redevelopment in Brandon offer a valuable asset to the community while improving population and environmental health. As well, municipalities are looking forward to the benefits that will accrue as a result of the recent commitment of \$19 million to rehabilitate selected orphaned and abandoned mines over a two year period.

The AMM met with the Province nearly two years ago when the Auditor General report on contaminated sites was released. The Province has now developed an inventory of sites which is published on the government website. This is an important first step in the cleanup effort. Now that the inventory is complete and the extent of contamination can be fully assessed, the Province must consider whether its current funding commitment is sufficient to have substantial immediate and long-term impacts on the remediation of contaminated sites.

Orphaned and abandoned sites are a major problem and although the Province is clearly engaged in moving its remediation efforts forward, municipalities have also identified other opportunities to assist in remediation. Where the responsible company can be identified, municipalities agree with legislated measures that hold these companies accountable for the required remediation. Furthermore, the addition of a set timeline for conducting this work would accelerate the required works. In some cases, companies only remove the superficial structures while leaving the soil contaminated, since there is a considerable cost associated with its removal. These companies are not concerned that the property cannot be sold and are willing to incur the long-term costs of holding the property rather than undertaking the necessary remediation and soil testing. Such brownfields are often located on prime real estate

and once the soil is appropriately restored, they would be optimal locations for future development. Allowing these sites to remain contaminated indefinitely deprives communities of the opportunity to pursue alternative uses for the location in question. For this reason, the AMM membership passed a resolution at the 2008 Convention recommending a legislated timeline for remediation of three years after the closure or abandonment of the facility. This recommendation allows a reasonable timeframe for companies to plan for and implement the required works to restore the site to a usable condition.

Although the Province has made important strides in addressing contaminated sites in Manitoba, this effort would benefit from additional long-term funding and further criteria for remediation by private companies.

**Therefore, the AMM urges the Provincial Government to ensure that sufficient funding is available for required contaminated site remediation and to legislate a timeline for private companies to complete necessary remediation work.**

### *5. Rate for Problem Beaver Removal*

Beavers have been on the municipal agenda for almost as long as there have been municipalities. Beavers are incredibly destructive and in many areas of the province pose a real threat to municipal infrastructure.

There is little doubt that it is far more cost effective to invest money into preventing damage than to try to rebuild roads and bridges that are damaged due to beavers. The AMM is concerned that the current level of funding for the Problem Beaver Management Program is not adequate to maximize the program and ensure all problem beavers are dealt with. The AMM meet with the Province and other key stakeholders in 2005 and recommended an increase in the subsidy to \$20 a pelt over the current \$15. The AMM understands the decision of the department to maintain the \$15 subsidy as the \$20 subsidy would result in less beavers being trapped as the total funding remained the same. What is required is an increase to the total program funding to allow for a higher per pelt subsidy yet ensure there is no drop in the total number of beavers trapped.

While municipalities are working with community members to control the beaver population on municipal and private property, there are issues stemming from within Crown lands that must also be addressed. The Province has not implemented a program with comparable results for Crown lands, which can create major problems for adjacent municipalities. Since municipalities have no jurisdiction to enter Crown lands for the purpose of beaver control, the Province must enhance its efforts to manage the beaver population within these areas.

The AMM would also like to see the policies and guidelines for beaver management updated. Our understanding is these policies are outdated and should be updated to reflect the current reality and advancements in new technology. There are also new opportunities with the emergence of conservation districts in many areas of the province to work in partnership to deal with beaver removal problems.

The AMM appreciates that the Province has incorporated municipal input in other aspects of its beaver management program and municipalities hope that these suggestions will be given the same consideration.

**Therefore, the AMM urges the Province to increase the overall funding for the problem beaver removal as well as implement a program to control beavers on Crown lands.**

### *6. Water and Wastewater Operator Certification*

Municipalities continue to face obstacles in certifying water and wastewater operators. The AMM appreciates the work of the Province in the last year to simplify some of the requirements and we appreciate the work of your staff to find easy solutions when problems arise. The AMM understands the department is working on a regulatory amendment to shorten the timeframe to re-write exams which is a positive change. The AMM also appreciates the commitment from departmental staff to provide an upfront review of the eligibility of specific educational courses before an operator takes a course.

An issue that remains a concern for AMM is the expiration of conditional licenses that were granted when the regulation first took effect. The AMM understands a municipality may now apply for a conditional license on behalf of an operator if their first conditional license is expiring and there are extenuating circumstances that prevented the operator from becoming fully certified. While in some cases this will fix the problem, it is not a long term solution.

The challenge for municipalities is getting trained operators into their communities as it appears there are not enough trained operators in Manitoba. One of the major impediments for operators continues to be insufficient training opportunities. Although there are Level I and II courses and exams available, the ongoing lack of Level III and IV courses remains a significant concern. Municipalities cover the course and exam fees, and must be assured that there is every opportunity for their employees to succeed.

The AMM has been working with the Province and the Manitoba Water and Wastewater Association to explore whether designating water and wastewater operators an apprenticed trade is a viable option. We are hopeful that this will lead to more people entering this field of work in the long run, however there remains an immediate need to get more people in place.

**Therefore the AMM urges the Province to improve training opportunities for operators in Manitoba to ensure there are enough operators in the province to meet requirements.**

### *7. Onsite Wastewater Management Systems Regulation*

As you know municipalities, and most of rural Manitoba, continue to have concerns with the decision of Manitoba Conservation to amend the Onsite Wastewater Management Systems Regulation to ban the installation of sewage ejectors on new properties and require these types of systems be removed when landowners sell their property. Our membership firmly believes this is a gross overreaction lacking any real evidence that sewage ejectors pose a threat to human health or the environment.

The AMM can certainly support the discontinued use of these types of systems where they pose a real threat to the environment, such as in the Red River Corridor. However without any empirical evidence of their negative impact in the rest of the province we believe these changes are unnecessary.

This decision by the Province has a substantial impact to municipalities. By removing this option, many homeowners will be required to move to holding tanks which will then be emptied into municipal treatment facilities. Most wastewater treatment facilities across the province are currently near capacity and we are very concerned that this decision will place a greater strain on an already overburdened system. The Province has not provided accompanying financial support for upgrading existing facilities, leaving municipalities to deal with the impacts of this regulation on their own.

This regulatory change will also have a negative impact of property values in rural Manitoba. While the cost of installing a septic field varies depending on soil conditions, our members have been given estimates ranging anywhere from \$6,000 to \$20,000. In many areas of the province housing values are not much more than the cost of removing these systems. It is unreasonable to expect a homeowner to spend \$20,000 to remove a sewage ejector when the market value of their house is only \$45,000.

The AMM is also concerned with the impact this decision will have on the assessed value of properties in the province, as we have already been told of instances where homeowners have successfully challenged their assessment. We are very concerned this regulatory change will have the end result of shifting the tax burden in some areas of the province.

The AMM understands the desire of the Province to protect the environment and human health. However we fail to see how the province-wide ban of sewage ejectors meets these objectives.

**Therefore the AMM respectfully requests the Province amend the Onsite Wastewater Management Systems Regulation and remove the province-wide ban on sewage ejectors.**



## General Issue

### *The Core Challenges for Municipalities*

Today's municipal government plays a greater role in the lives of Canadians than any other time in history. Municipalities no longer simply plow the streets and pick up the garbage. Sure today's municipal corporation still cleans the streets and collects garbage (and recyclables), but it also is sustainably managing growth through everything from state of the art transit systems to environmentally conscious land use and water planning. The pioneers of municipal government would be astonished to see today's council agenda where elected officials are doing everything from recruiting doctors from around the world to providing operating funding for daycares.

These new realities are having serious repercussions for municipalities as they diligently try to balance growing responsibilities with stagnant revenues. Everyday municipalities are facing new demands from both citizens and other orders of government and must try to balance these with existing priorities and scarce revenues that remain overly reliant on the ebb and flow of grant programs. The current challenges facing municipalities are overwhelming and there must be a greater effort to address these if we want to see strong vibrant communities throughout our province.

While municipal concerns cut across every provincial department, there are two core issues that are most pressing for municipalities today - the ballooning municipal infrastructure deficit and the growing mandate of municipal government, either through intentional and unintentional offloading of responsibilities from other orders of government and unfunded mandates. These two challenges are crippling municipal government and keeping Manitoba communities behind.

### *Municipal Infrastructure Deficit*

It is no secret that municipalities are facing nearly insurmountable infrastructure challenges. We only need to take a look around our communities to see the deteriorating state of our infrastructure. Roads that are nearly impassable due to potholes and heaving, drafty libraries with crippling heating bills, recreation complexes

with leaking roofs and water and sewer treatment plants that are running beyond capacity. These are the very foundation of a community, yet their current state leaves communities with little hope for prosperity. For Manitoba communities to thrive in the future these swelling infrastructure challenges must be addressed.

In Canada the municipal infrastructure deficit is in excess of \$123 billion for current needs. Most alarming is how quickly the deficit has been compounding, as it has doubled over the last 5 years. Equally alarming, the \$123 billion is only for the upgrade and repair of current municipal infrastructure, with another \$115 billion required for new infrastructure.<sup>1</sup>

These national trends hold true for Manitoba as well. The City of Winnipeg has recently calculated its infrastructure deficit at \$3.8 billion for existing infrastructure and \$3.6 billion for new strategic infrastructure.<sup>2</sup> Historically the municipal infrastructure deficit outside of Winnipeg has been double that within Winnipeg so it is fair to extrapolate that the deficit outside Winnipeg is over \$7.5 billion, putting the total municipal infrastructure deficit in Manitoba in excess of \$11 billion, or a staggering \$10,000 per Manitoban. It is certainly an insurmountable amount for municipalities to tackle on their own since the total municipal taxes levied in 2007 were just over \$730,000,000.<sup>3</sup>

There is no doubt the current infrastructure deficit is crippling Manitoba's economy. Adequate infrastructure is an obvious prerequisite for economic development and unfortunately it is greatly lacking in many communities. FCM has investigated this principle in depth and found that an increase in municipal infrastructure spending of \$1 billion in 2008 (at nominal process and allocated to a representative mix of infrastructure) would increase the size of the real economy by roughly 0.13 percent or \$1.3 billion in nominal terms. While this would erode slightly over time with consistent investment, over a four year period it would still result in meaningful gains to the economy, dropping to a 0.6 percent increase in the final year. The resulting investment

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<sup>1</sup> Saeed Mirza, "Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure", November 2007 (available at [www.fcm.ca](http://www.fcm.ca))

<sup>2</sup> City of Winnipeg Administrative Report, "Infrastructure and Possible Funding Options" Tabled at July 22<sup>nd</sup>, 2009 Council Meeting (available at [www.winnipeg.ca](http://www.winnipeg.ca))

<sup>3</sup> Province of Manitoba, "Statistical Information 2007 – Municipalities of the Province of Manitoba", P.17

would be felt in the employment sector as well, since a great number of industries would benefit. A \$1 billion investment in 2008 would add 11,500 new jobs, which would be felt in industries from labour and material suppliers through to architects and engineers.<sup>4</sup>

Providing adequate infrastructure has both direct and indirect benefits for private-sector manufacturing. Infrastructure is an intermediate input into the production process, with businesses locating where there is access to water, hydro and transportation. New roads reduce fuel costs and haul times. Access to high quality (and adequate) water reduces input costs. There is also evidence that increased investments in public infrastructure allow private companies to use labour inputs more intensively, translating into more jobs.<sup>5</sup>

While the numbers are staggering, of far greater concern is the very real impact this infrastructure deficit is having on the people who live in Manitoba. Manitobans are experiencing longer commutes to work either because of impassable roads or slower speeds. We are also spending more time travelling to neighbouring communities to access recreation opportunities. Many have seen the outmigration of neighbours and friends who tire of dealing with these daily challenges.

Municipal councils want to create vibrant, welcoming communities, but this is nearly impossible with the state of infrastructure today. For example, there remain 137 boil water advisories in Manitoba, many in Manitoba municipalities.<sup>6</sup> This means in 2010 thousands of Manitobans do not have access to safe drinking water when they turn on the tap. It is unreasonable to think these communities can realistically compete with the rest of Manitoba and Canada if they do not have this essential infrastructure.

### *Ever Increasing Responsibilities*

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<sup>4</sup> Sonnen, Carl, "Municipal Infrastructure- Macroeconomic impacts of spending and level-of-government financing" May 31, 2008 (available at [www.fcm.ca](http://www.fcm.ca))

<sup>5</sup> Brox, James A. "Infrastructure Investment: The Foundation of Canadian Competitiveness - IRPP Policy Matters 2008" August, 2008 (available at [www.irpp.org](http://www.irpp.org))

<sup>6</sup> Province of Manitoba "Provincial Boil Water Advisories" – January 11<sup>th</sup>, 2010

A second core challenge for municipalities is ever increasing responsibilities. Municipalities are continually being asked to do more and more, either through the intentional or unintentional offloading of responsibilities from other orders of government or through new unfunded mandates being forced on municipalities by the provincial and federal government. These new responsibilities do not come with new revenue sources and result in municipal budgets being stretched thinner and thinner. The sad reality is that as municipalities are being forced to take on more the core municipal responsibilities suffer.

Municipal officials believe in their community. This is where they live, most often where they work and sometimes where they were born. They care greatly about their community and when they see a need they will do everything they can to address it. Many times municipal officials are their own worst enemy, as they step in and act where other orders of government have abdicated their responsibilities. Municipalities step up and do repairs on provincial roads, they recruit physicians from all corners of the world, and they help fund community health facilities. In some cases municipalities are just filling gaps in service unintentionally left by other orders of government and other times municipalities are stepping in because the provincial and federal governments have made it clear their community will not get the service or investment unless they do.

Compounding this is the growing trend of unfunded mandates being heaped on municipalities by the provincial and federal governments. Too often new rules are implemented without adequate thought to how they can possibly be implemented. These unilateral decisions leave municipalities in the untenable position of either scarifying core programs and services or being in non-compliance of provincial rules. Unfortunately we are hearing more and more from municipalities that they are being forced to opt for the latter.

Municipalities cannot keep pace with the rapid increase in the offloading of responsibilities and unfunded mandates. These challenges are pushing municipalities further and further behind.

## *Alternate Revenues*

Now more than ever municipalities need new tools to deal with new responsibilities and new expectations. Currently Manitoba municipalities are more reliant on provincial and federal grants than any other province in Canada<sup>7</sup>. While in some cases these types of programs are necessary (for example large-scale infrastructure projects), it leaves municipalities having to compete against each other for limited dollars and restricts a municipality's ability to properly plan for much needed investment. The amount allocated to grant programs like the recent Municipal Rural Infrastructure Fund or community infrastructure funding under the Building Canada Fund is nowhere near the total demand, meaning there is no guarantee much-needed projects will ever receive funding.

Over-reliance on grants and transfers leaves municipalities without the tools required to meet demands. Many municipal issues, when stripped down to their core, are really issues of access to revenue. For example, the need to remove education tax from property is really a municipal revenue issue, as municipalities see education tax as eroding the property tax base, which is the single greatest source of municipal revenue. Over the last number of years we have seen more and more municipalities speaking out on the need for greater municipal revenue sources.

It is important that the federal and provincial government contributions to municipalities are not forgotten. Federally, municipalities have benefited from a GST rebate, the sharing of the federal gas tax and the Building Canada Fund as well as Stimulus Funding. Provincially, municipalities have benefited from the sharing of provincial income tax, the Building Manitoba Fund, and supports in several other areas. We also appreciate the Province stepping up with their one-third share of recent federal programs. The message the AMM is hoping to convey is not that either order of government has completely forgotten about municipalities, but rather that despite these efforts municipalities still face enormous challenges and more is needed.

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<sup>7</sup> Slack, Kitchen, McMillan, Vaillancourt, "Roles, Responsibilities, Resources and Relationships – Report to the Provincial and Territorial Municipal Associations" June 15<sup>th</sup>, 2007.

Municipalities must have access to new revenue sources. A greater reliance on property taxes and provincial and federal grants has created an ever-widening chasm between municipal revenues and needs, leaving future generations with what is quickly becoming an insurmountable infrastructure deficit. Municipalities are struggling to deliver core services as their budgets begin to crack under increased demands.

A new approach is needed, and for this reason we are asking the Province of Manitoba to collect a one cent municipal tax to be allocated to municipalities for infrastructure and split equally among municipalities on a per capita basis. This will provide municipalities with in excess of \$200 million a year. For a community of 1,000 people, this means roughly an investment of \$185,000 in their local infrastructure, or \$370,000 for a community of 2,000 people. A community such as Thompson could see close to \$2.5 million, while Winnipeg would expect to see over \$117 million. Although this funding alone will not erase the infrastructure deficit in Manitoba, it is a positive first step.

While the AMM is not necessarily asking for a new tax, there is support among Manitobans for a new tax dedicated to municipal infrastructure. Polling done by AMM in 2008 found that 94 percent of Manitobans see infrastructure as a high priority, including a 94 percent positive response rate in Winnipeg. The poll also found that 55 percent of Manitobans think that municipalities do not have the revenue sources needed to cover infrastructure costs alone, including 50 percent in Winnipeg. Most interestingly, the poll found that 54 percent of Manitobans, including 51 percent of Winnipeggers, support an additional one percent municipal tax dedicated to infrastructure renewal projects<sup>8</sup>. As the infrastructure deficit continues to grow, support for this will only increase.

The AMM is also asking for other revenues sources for municipalities, such as a rebate of the Provincial Sales Tax as well as increases to existing sources such as VLT revenues. We would also ask that any new mandates for municipalities be accompanied with corresponding financial support.

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<sup>8</sup> Probe Research "Public Attitudes on Infrastructure Renewal Funding in Manitoba" September, 2008.

The sad reality is that while the Province of Manitoba has been leaders in some municipal areas, it has not been enough. We have the opportunity to visit every municipality in Manitoba within the four year election cycle and it is clear our communities are struggling and we are falling behind.

We understand that providing additional revenues to municipalities may become more difficult as the economy continues to fluctuate. While economic projections can never be taken as absolute fact, they are often a prophetic divining rod on economic times. However what should not be lost is the positive impact infrastructure investment would have for the provincial and national economy. Furthermore, delaying investment in these critical infrastructure projects will have serious long-term consequences for Manitoba's economy.

Municipalities are not looking for new revenue sources to store money away for a rainy day. The storm has arrived. With a national municipal infrastructure deficit in excess of \$123 billion, and Manitoba's share in excess of \$11 billion, there is no shortage of work to be done. If municipalities are left to deal with this ballooning deficit alone armed only with property taxes and grants, it will continue to grow exponentially. Alternatively, providing municipalities with new revenue sources will not only begin to address this growing deficit, but will help build and strengthen our economy.

The time has come for a new approach to municipal funding. The expectations of today's municipalities are greater than any time in history. Regrettably so are the financial challenges facing municipalities. For municipal government to be sustainable into the future, and for Manitobans to have access to the quality of life they deserve, municipalities need to have access to sustainable growth revenues. This is the only way municipalities will be able to even begin to address the core challenges they face.

**Therefore the AMM would like to see:**

- 1. A greater investment in municipal infrastructure by all levels of government**
- 2. An end to the downloading of responsibilities to municipalities and a requirement that new mandates come with new funding**

### 3. A commitment to provide new alternate revenues to municipalities

## Appendix A – Active Resolutions

#### **AMM Resolution Number 12 - 2009**

##### **Topic: Onsite Wastewater Management Systems Regulation**

Sponsor: RM of Morris (Central District); Town of Neepawa (Midwestern District); RM of Dauphin, RM of Grandview (Parkland District)

Departments: Manitoba Conservation

WHEREAS the Province of Manitoba has proposed amendments to the Onsite Wastewater Management Systems Regulation MR 83/2003 under The Environment Act;

AND WHEREAS these regulations govern the standards, installation and management of onsite wastewater management systems from private dwellings and businesses which generate a wastewater flow of less than 10,000 litres (2,200 gallons) per day;

AND WHEREAS the proposed regulation would prohibit the installation of new sewage ejectors throughout the province and eliminate existing sewage ejectors at the time of any property transfer as the ejector must be decommissioned and replaced with a disposal field or holding tank;

AND WHEREAS scientific evidence has not been presented to warrant the suggested changes;

AND WHEREAS the proposed amendments will have unwarranted financial consequences on municipalities and ratepayers;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to have the new regulation apply on a case by case basis where there are scientifically justified environmental concerns and identified high risk areas.

#### **AMM Resolution Number 11 - 2009**

##### **Topic: Waste Reduction and Recycling Support Levy**

Sponsor: RM of Morris (Central District); RM of Argyle (Western District)

Departments: Manitoba Conservation

WHEREAS the Province has amended The Waste Reduction and Prevention Act to implement the Waste Reduction and Recycling Support Levy at all landfills;

AND WHEREAS the new levy is to encourage sustainable waste management practices and improve waste diversion activities such as recycling and composting;

AND WHEREAS the total tonnage of waste disposed at the nuisance grounds will greatly outweigh the tonnage of recycling;

AND WHEREAS this will result in substantial additional costs to Manitoba municipalities;

AND WHEREAS municipalities already contribute substantial amounts of money to run recycling programs and do not have surplus funds to subsidize the provincial household hazardous waste and electronic waste collection programs and other waste diversion initiatives;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to rescind the Waste Reduction and Recycling Support Levy.

### **AMM Resolution 10 - 2009**

#### **Topic: Deposit Return Program for Beverage Containers**

Sponsor: City of Thompson (Northern District)

Departments: Manitoba Conservation

WHEREAS deposit return programs have proven successful in reducing littering and supporting recycling of beverage containers in other jurisdictions;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba for a deposit return program for beverage containers based on the Saskatchewan model.

### **AMM Resolution Number 66 - 2008**

#### **Topic: Used Shingles**

Sponsor: RM of Ste. Anne (Eastern District)

Departments: Manitoba Conservation

WHEREAS many roofs in Manitoba are built with asphalt shingles, whose life expectancy is only a few decades;

AND WHEREAS when shingles are replaced the discarded ones end up in landfills;

AND WHEREAS used shingles may have value in being converted to road material;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to find a better alternative than landfills for used shingles.

### **AMM Resolution Number 21 - 2008**

#### **Topic: Hog Moratorium**

Sponsor: RM of Rhineland (Central District)

Departments: Manitoba Conservation, Manitoba Agriculture, Food and Rural Initiatives

WHEREAS the Minister of Conservation recently legislated a moratorium regarding the expansion of the hog industry in a large area of eastern and central Manitoba;

AND WHEREAS the Province has singled out the hog industry;

AND WHEREAS the Clean Environment Commission (CEC) report on the issue did not recommend a continuation of the hog moratorium;

AND WHEREAS the livestock industry should be subjected to farming policies that are viable, environmentally sustainable and socially responsible; i.e. based on scientific principles and objective criteria;

AND WHEREAS the hog industry is making a significant contribution to the rural economy and the moratorium undermines this contribution and stifles community growth;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to rescind the hog moratorium legislation and enforce standards for the livestock industry that are based on sound agronomic and environmental policies and that are socially responsible.

**AMM Resolution Number 20 - 2008**

**Topic: Timeline to Remediate Properties**

Sponsor: Town of Altona (Central District)

Departments: Manitoba Conservation

WHEREAS there are abandoned gas stations and other brownfields located in numerous communities in Manitoba;

AND WHEREAS the companies that own the properties often clear the surface, however do not remediate the contaminated lands;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to pass legislation that would require the owners of such properties to conduct remediation within three years of closure or abandonment of the facility.

**AMM Resolution Number 19 - 2008**

**Topic: Rate Increase for Problem Beaver Removal**

Sponsor: RM of Whitemouth (Eastern District)

Departments: Manitoba Conservation

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to increase rates for problem beaver removal.

**AMM Resolution Number 18 - 2008**

**Topic: Provincial Park Services**

Sponsor: Town of Winnipeg Beach (Interlake District)

Departments: Manitoba Conservation

WHEREAS municipalities provide fire protection services, first responder services and garbage disposal services to Provincial parks;

AND WHEREAS municipalities receive no tax revenue for the provision of these services to Provincial parks;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to provide adequate compensation to municipalities that fairly reflects the costs incurred to provide services to Provincial parks.

**AMM Resolution Number 17 - 2008**

**Topic: Increased Funding for Recycling**

Sponsor: Town of The Pas (Northern District)

Departments: Manitoba Conservation

WHEREAS funding must be increased to sustain municipal recycling programs as municipalities do not have surplus funds to subsidize local recycling programs;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to increase the funding formula to provide operating revenue to sustain recycling programs, thereby relieving the financial burden on municipal ratepayers.

**AMM Resolution Number 16 - 2008**

**Topic: Recycling Programs**

Sponsor: Town of The Pas (Northern District)

Departments: Manitoba Conservation, Environment Canada

WHEREAS municipalities have taken a lead role in supporting green communities and addressing waste reduction by actively promoting, participating in and subsidizing recycling programs;

AND WHEREAS the costs for shipping recycling materials have increased significantly over the past few years;

AND WHEREAS the Provincial Government is moving forward with new industry-led stewardship programs, however some programs are not yet in place;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to fast track the implementation of new industry-led programs.

**AMM Resolution Number 15 - 2008**

**Topic: Education Program for Recycling**

**Sponsor: RM of Kelsey (Northern District)**

Departments: Manitoba Conservation

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to restructure and improve an educational program informing the general public of the benefits of recycling.

**AMM Resolution Number 14 - 2008**

**Topic: Biodegradable and Reusable Shopping Bags**

**Sponsor: RM of Kelsey (Northern District)**

Departments: Manitoba Conservation

WHEREAS many businesses, especially retail stores, use plastic bags for customer purchases;

AND WHEREAS many of these plastic bags end up in local landfill sites because there is no system to recycle them;

AND WHEREAS they become a wind blown nuisance for municipalities to clean up;

AND WHEREAS plastic bags take many years to decompose;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to legislate that retailers use biodegradable or reusable carry out bags for consumers and eliminate the current use of plastic bags.

**AMM Resolution Number 32 - 2007**

**Topic: Recycling for Air Hoses**

Sponsor: Town of Winnipeg Beach (Interlake District); RM of Glenwood (Western District)

Departments: Manitoba Conservation

WHEREAS air hoses for seeder and fertilizer applicators wear out and must be disposed of;

AND WHEREAS currently there is not an environmentally friendly disposal option;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to allow this type of air hose to be accepted at chemical container depots and be recycled accordingly.

**AMM Resolution Number 13 - 2007**

**Topic: Material Stewardship Program**

Sponsor: City of Thompson (Northern District); RM of Brenda (Western District)

Departments: Manitoba Conservation

WHEREAS the benefits of having a comprehensive recycling program have proven to be valuable in ensuring the amount of waste products being taken to landfill sites is minimized;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba for a more comprehensive material stewardship program that maximizes the amount of materials and number of products to be recycled.

**AMM Resolution Number 38 - 2006**

**Topic: Review of Environmental Levy Rates**

Sponsor: City of Dauphin (Parkland District)

Departments: Manitoba Conservation

WHEREAS the cost of recycling has increased significantly since the levies were first introduced;

AND WHEREAS currently there are no levies on glass, newspapers, magazines and commercial cardboard;

AND WHEREAS such levies are used in other Canadian provinces;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to review the Environmental Levies charged to corporations and consumers in order to make recycling viable.

**AMM Resolution Number 10 - 2006**

**Topic: Beaver Control Management Program**

Sponsor: RM of Rosburn (Midwestern District)

Departments: Manitoba Conservation

WHEREAS municipalities, particularly those on the peripheries of Federal and Provincial Parks, are constantly and continuously burdened by problem beavers, both in terms of finances and work time of their maintenance personnel;

AND WHEREAS the Department of Conservation does not have a beaver management program in effect within the provincially owned Crown lands;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial and Federal Governments to implement a long term and effective beaver control/management program within all Federal and Provincial Crown lands.

**AMM Resolution Number 08 - 2006**

**Topic: Class 3 & 4 Water Plant Operators**

Sponsor:

Departments: Manitoba Conservation

WHEREAS a number of small urban communities currently operate lime soda ash filtering water plants;

AND WHEREAS the complexity of the chemical process involved in the operation of lime soda ash plants has resulted in many of the facilities being designated as Class 3 or Class 4 water treatment facilities as per provincial legislation;

AND WHEREAS municipal employees have expertise and ability in operating lime soda ash plants sufficient to create consistent potable water for communities but may not have the educational and theoretical background to pass certification exams;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to ensure that training beyond courses designed to pass certification exams be offered so that Class 3 or Class 4 water plant operators can obtain sufficient background and knowledge to effectively and efficiently operate the facilities.

**AMM Resolution Number 07 - 2006**

**Topic: Electronic Waste Disposal Program**

Sponsor: City of Dauphin (Parkland District)

Departments: Manitoba Conservation

WHEREAS the AMM lobbied the Provincial Government in 2004 to initiate a program for the disposal of electronic waste;

AND WHEREAS the Minister of Conservation responded that the Province is aware of the issues associated with electronic waste; is examining options for management of these types of toxic waste; and will seek partners to support the collection of waste electronics in the future;

AND WHEREAS disposal of electronic waste is increasing at landfill sites;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government for an update on the collection of electronic waste;

AND BE IT FURTHER RESOLVED that the program for the disposal of electronic waste be expanded to include costs borne by municipalities to transport the collected electronic waste.

**AMM Resolution Number 69 - 2005**

**Topic: Permanent Household Hazardous Waste Program**

Sponsor: RM of Tache (Eastern District)

Departments: Manitoba Conservation

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to establish an effective program to recycle paint products, glycols as well as electronic waste material so as to remove these products from local landfill sites.

**AMM Resolution Number 61 - 2005**

**Topic: Water on Crown Land**

Sponsor: RM of Fisher

Departments: Manitoba Conservation

WHEREAS water flowing from crown land and wildlife management areas is causing flooding problems on adjacent land;

AND WHEREAS costs associated with control of large volumes of water from marginal crown land and wildlife management areas is causing a financial hardship for those municipalities;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to assume responsibility for water flowing from crown land and wildlife management areas.

**AMM Resolution Number 15 - 2005**

**Topic: Crown Land Subsidies**

**Sponsor: RM of Piney (Eastern District)**

Departments: Manitoba Conservation

WHEREAS municipalities have a substantial amount of crown lands within their jurisdiction;

AND WHEREAS municipal roads are utilized to access these crown lands by timber operations, mining industries, hunters, fishers and tourists;

AND WHEREAS the increased use by these outside sources requires extensive maintenance of municipal roads thereby causing a financial burden to the municipalities' ratepayers;

AND WHEREAS the Province of Manitoba is collecting various fees from the timber operators, the mining industry, hunters and fishers;

AND WHEREAS the municipalities do not receive any financial benefits from these unleased crown lands;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to subsidize municipalities having crown lands within their jurisdiction with an annual Grant-in-Lieu of taxes in the amount of fifty cents per acre.

**AMM Resolution Number 08 - 2005**

**Topic: Additional Inspectors**

**Sponsor: RM of Shoal Lake (Midwestern District)**

Departments: Manitoba Conservation

WHEREAS under the new Planning Act, the Province will assume responsibility for all matters relating to pollution with livestock operations;

AND WHEREAS at present there is a lack of inspection and enforcement of regulations by Provincial inspectors due in large part to the shortage of inspectors;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to immediately hire additional inspectors to monitor and inspect all livestock operations in order to lessen infractions or alleged infractions of the provincial regulations.

**AMM Resolution Number 12 - 2004**

**Topic: Clean Up of Contaminated Sites**

**Sponsor: Town of Lynn Lake (Northern District)**

Departments: Manitoba Conservation

WHEREAS numerous mining communities within the Province of Manitoba are left with environmental hazards from mine tailings and abandoned mine sites when mines are closed;

AND WHEREAS the environmental concerns for these areas are a high priority for the health and well-being of the communities and the Province as a whole;

AND WHEREAS the Province of Manitoba has committed to cleaning up the environment;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial Government to take a pro-active stance with the environmental remediation of these contaminated sites by provision of funding and the development of a strategy to deal with site remediation in a timely fashion.

**AMM Resolution Number 44 - 2001**

**Topic: Contaminated Sites**

**Sponsor: RM of Woodworth (Western District)**

Departments: Manitoba Conservation

WHEREAS certain properties which were once operated as service stations or businesses which marketed petroleum products using underground tanks are now abandoned;

AND WHEREAS the properties are left without owners who can be held responsible for maintenance, cleanup and remediation costs;

AND WHEREAS these contaminated sites then fall into arrears of taxes, are subsequently offered for sale at a tax sale, are not purchased because of the perceived risk of contamination and the potential cost of initial site cleanup and testing, and thus remain on the tax rolls, revolving through the tax sale process indefinitely, accruing arrears of taxes and costs annually, all the while becoming more unsightly;

AND WHEREAS the Contaminated Sites Remediation Act does not address remediation of sites where the owners/contaminators are deceased;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province of Manitoba to ensure that The Contaminated Sites Remediation Act be amended to define remediation to include all actions required to restore the site to its original state, which includes removal of all foreign materials and equipment and final site testing;

BE IT FURTHER RESOLVED that the responsibility for the amended remediation of such sites be the responsibility of Manitoba Conservation.

**AMM Resolution Number 34 - 2000**

**Topic: Recycling Funding for Corrugated Cardboard**

**Sponsor: RM of Whitemouth (Eastern District); RM of Glenwood, Town of Boissevain (Western District)**

Departments: Manitoba Conservation

WHEREAS municipalities contribute substantial amounts of money to run recycling programs;

AND WHEREAS a large portion of the material gathered by recycling depots is corrugated cardboard which requires a large storage space;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the provincial government to increase its funding of corrugated cardboard from 25 per cent to 100 per cent under the Product Stewardship Program.