



ASSOCIATION OF MANITOBA MUNICIPALITIES

MEETING WITH

Honourable Christine Melnick
Minister of Water Stewardship

February 16, 2011

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Executive Summary

Departmental Issues

1. Water and Land Use Planning

- The implementation of *The Water Protection Act* and the recent review of *The Planning Act* have changed the rules for municipal planning and while AMM has been an advocate for both acts due to the value of long-term planning there are challenges that arises for municipalities in balancing responsibilities of the two acts and the interests of the various departments involved.
- One of the main issues for municipalities is the difficulty in moving ahead with projects or development plans where objections arise from various departments.
- We are pleased that the Province is revising the Provincial Land Use Policies however it is critical that government departments and municipalities are all on the same page when it comes to planning.
- Too often individual departments are solely focused on their own specific interests without looking at the bigger picture and the greater good a project could bring to an area.

Therefore, the AMM urges the Provincial Government to promote greater coordination and cooperation between provincial departments and municipalities in order to facilitate sustainable municipal development.

2. Funding for CD Funding

- The recent review of the CD program brought together the Province, AMM and the CD association and together we were able to reach a consensus on how to move forward with the program.
- What became evident throughout the process was the glaring need for greater funding for CDs in Manitoba.
- Everyone is able to see the value in the work of CDs and our hope is that with a revised vision and a clear determination of how to maximize resources there is a strengthened case for new funding from the Province.

- Municipalities are willing to come to the table with their matched share of any new Provincial funding.

Therefore, the AMM urges the Provincial Government to increase overall funding for the conservation districts program.

3. Funding for Water Initiatives

- Each legislated demand for additional licensing or certification requires a costly and time consuming commitment from municipalities.
- For instance, the need for engineering assessments on water treatment facilities consumes a significant proportion of a utility's budget when municipalities already struggle to raise the funds required for these infrastructure investments.
- The need for additional funding is particularly acute in municipalities under long-standing boil water orders and the Province has a responsibility to address the needs of these municipalities.
- The AMM is also seeking the establishment of a tripartite funding program to replace the expired National Water Supply Expansion Program.
- As well, the certification of water and wastewater operators is a prime example of existing constraints beyond the financial, as there are insufficient training opportunities available in Manitoba.
- The Province must consider the financial feasibility of the new legislation and be prepared to work with municipalities to fulfill these requirements.

Therefore, the AMM urges the Provincial Government to provide sufficient funding for necessary water and wastewater treatment initiatives.

4. Drainage Issues

- The need for adequate drain construction and maintenance is a major concern for municipalities, however the Province has not committed sufficient resources to fulfill this need and establish coordinated drainage systems for Manitoba.
- The Province continues to indicate that water protection and management are important provincial priorities yet each budget year we fail to see any meaningful increase in funding for water management.

- Municipalities share the Province's interest in a coordinated water management system, however water systems extend well beyond municipal boundaries and municipal drainage works must occur within a broader province-wide plan.
- Municipalities have also raised concerns regarding the drainage licensing process and the AMM appreciates the Provincial commitment to taking action on the Ombudsman's recommendations in order to improve the overall operation of drainage works in Manitoba.
- The minor works licensing process continues to be an issue and while we appreciate the willingness of the department to meet with AMM and municipalities to discuss this issue and understand that the process is continually being reviewed in order to ensure efficiencies concerns remain.

Therefore, the AMM urges the Provincial Government to develop a province-wide water management plan and allocate sufficient resources to drainage construction and maintenance throughout Manitoba. AMM also encourages greater efforts be made to improve communication between the department and municipalities at the regional level to help effectively deal with issues as they arise.

5. 2011 Flooding

- While the last couple of years have been difficult for municipalities due to higher than usual water levels, it appears 2011 is poised to be a major event for our province.
- AMM appreciates the proactive approach being taken by the Province in preparation for possible flooding, and municipalities are confident that the Province is willing to work with them and support them in their flood fighting efforts.
- It is critical that information flow directly to municipalities as quickly as possible as often the most up to date forecasts and information can lead to better decisions out in the field.

Therefore, the AMM is happy to help in any way to connect the Province to municipalities and to facilitate communication in preparation for possible 2011 flooding.

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.
- The core challenges facing municipalities have become overwhelming, and the lead up to this year's provincial election provides an opportunity for all political parties, candidates and citizens to engage in a thoughtful discussion about how these challenges should be addressed.
- 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.
- The AMM is therefore asking every political party to make municipal funding a top priority for this year's provincial election. Now is the time for each party to

lay out its vision for the future of municipal government in Manitoba and how these core challenges can be addressed. The health of our communities is at stake.

Therefore, the AMM would like to see a commitment from each political party to:

- 1. Make a greater investment in municipal infrastructure**
- 2. End the downloading of responsibilities to municipalities and require that any new mandates come with new funding**
- 3. Provide new growth revenues to municipalities**

Departmental Issues

1. Water and Land Use Planning

The implementation of *The Water Protection Act* and the recent review of *The Planning Act* have changed the rules for municipal planning. AMM has been an advocate for both acts as we see the value in strategic long-term land use planning and water resource management. Where the challenge arises for municipalities is how to balance responsibilities of the two acts and the interests of the various departments involved.

One of the main issues municipalities raise with AMM is the difficulty in moving ahead with projects or development plans where objections arise from various departments. We are pleased that the Province is revising the Provincial Land Use Policies that act as a guide for municipal planning however it is critical that government departments and municipalities are all on the same page when it comes to planning. Too often individual departments are solely focused on their own specific interests without looking at the bigger picture and the greater good a project could bring to an area.

Therefore, the AMM urges the Provincial Government to promote greater coordination and cooperation between provincial departments and municipalities in order to facilitate sustainable municipal development.

2. Funding for CD Program

While the review of the CD program got off to a rocky start in the end the Province, AMM and the CD association were able to come together and develop a consensus document that was acceptable to all parties. This was a very positive step and the process will hopefully be the foundation for future initiatives.

Throughout the process what was glaringly evident was the need for greater funding for CDs in Manitoba. Everyone is able to see the value in the work of CDs and our hope is that with a revised vision and a clear determination of how to maximize resources there is a strengthened case for new funding from the Province. Municipalities are willing to come to the table with their matched share of any new Provincial funding.

Therefore, the AMM urges the Provincial Government to increase overall funding for the conservation districts program.

3. Funding for Water Initiatives

Due to growing environmental concerns, the Province has enacted various requirements to protect and enhance Manitoba's water resources. *The Drinking Water Safety Act*, *The Water Protection Act*, and the *Water and Wastewater Facility Operators Regulation* are key examples of new water management legislation that redefine the management of municipal facilities. Each legislated demand for additional licensing or certification requires a costly and time consuming commitment from municipalities. Therefore, the Province must be prepared to commit additional funding to these critical projects.

For instance, in order to meet the requirements of *The Drinking Water Safety Act*, municipalities must now conduct engineering assessments on water system infrastructure and its water supply source. The need for engineering assessments on water treatment facilities consumes a significant proportion of a utility's budget when municipalities already struggle to raise the funds required for these key infrastructure investments. In many cases, municipal water treatment facilities are designed and constructed in conjunction with Provincial Government experts at the Manitoba Water

Services Board. Yet an additional engineering assessment is now required to meet the conditions of this legislation. This creates yet another cost that municipalities are expected to incur, but it is unreasonable to expect municipalities to continue absorbing such costs with the limited resources available. This additional step is especially difficult to rationalize when municipalities are already working to ensure safe facilities are constructed and maintained.

Such additional financial burdens can deter much-needed investment; however the health of the community and the environment must not be compromised. These interests are shared by the Province; therefore it is appropriate for provincial funding to accompany newly legislated requirements for water and wastewater facilities. The need for additional funding is particularly acute in municipalities under long-standing boil water orders and the Province has a responsibility to address the needs of these municipalities. For this reason, the AMM is also seeking the establishment of a tripartite funding program to replace the expired National Water Supply Expansion Program. Many municipalities benefited from this program, yet there are still substantial demands for safe and reliable water and wastewater facilities. The AMM appreciates the Province's commitment to fund one-third of the full capital cost of sewer and wastewater projects across Manitoba. Since the Federal Government is also a stakeholder in these initiatives, municipalities appreciate the Province's efforts toward securing a tripartite funding agreement that would resolve ongoing water resource issues in Manitoba.

There are also constraints beyond the financial that hinder municipalities from meeting the requirements laid out in Provincial legislation. The certification of water and wastewater operators is a prime example as there are insufficient training opportunities available in Manitoba. This is a pressing problem since the first round of conditional licenses has begun to expire. The AMM has been working with the Province to explore making this field an apprenticed trade and while this will hopefully have long term benefits, there remains immediate concerns.

Municipalities place a high priority on providing clean water and environmentally sustainable wastewater treatment. The new legislation governing water and wastewater facilities imposes additional requirements for municipalities at a significant financial

cost and assistance is required in meeting these new demands. The Province must consider the financial feasibility of the new legislation and be prepared to work with municipalities to fulfill these requirements.

Therefore, the AMM urges the Provincial Government to provide sufficient funding for necessary water and wastewater treatment initiatives.

4. Drainage Issues

Water management affects all municipalities and is therefore of great interest to AMM. Ongoing drainage issues continue to rank among the top concerns of municipal governments and are raised annually at our Convention. The need for adequate drain construction and maintenance is a major concern for municipalities, however the Province has not committed sufficient resources to fulfill this need and establish coordinated drainage systems for Manitoba. The Province continues to indicate that water protection and management are important provincial priorities yet each budget year we fail to see any meaningful increase to funding for water management. While we understand there are competing provincial priorities, drain construction and maintenance must be included among the top priorities. In pursuing its commitment to invest in infrastructure, the Province should ensure that additional funding is available for drainage works in the upcoming Budget.

Furthermore, in order to support the coordination of drainage operations, the Province must implement a plan to guide drainage works throughout Manitoba. Municipalities share the Province's interest in a coordinated water management system, however water systems extend well beyond municipal boundaries and municipal drainage works must occur within a broader plan. Such a plan will also be useful in guiding the strategic allocation of Provincial and municipal drainage funding. Both orders of government will be better able to identify and prioritize required construction and maintenance projects, leading to more effectively managed drainage infrastructure. In June 2008, Minister Lemieux indicated that the Province was moving toward a long-term capital plan for drainage, however municipalities have not learned of any progress in this regard. This will require Manitoba Water Stewardship to work with Manitoba Infrastructure and Transportation to coordinate the Province's drainage efforts.

Confusion remains for municipalities regarding the interaction between these departments where drainage is concerned, and articulating an overall plan would greatly assist in clarifying the Province's approach to drainage.

Municipalities have also raised concerns regarding the drainage licensing process. Many of these concerns were highlighted in the 2008 Manitoba Ombudsman's report on improving the drainage licensing and enforcement system. The AMM appreciates that the Province is committed to taking action on these recommendations in order to improve the overall operation of drainage works in Manitoba. An issue that continues to be of concern is the minor works licensing process. We appreciate the willingness of the department to meet with AMM and municipalities to discuss this issue and understand that the process is continually being reviewed in order to ensure efficiencies however concerns are still being voiced by our members.

While communication has certainly improved between our association and your department there is still concern that regional staff are not effectively communicating with municipalities. In many cases the concerns and issues of both parties could be resolved through better understanding developed through better communication.

Therefore, the AMM urges the Provincial Government to develop a province-wide water management plan and allocate sufficient resources to drainage construction and maintenance throughout Manitoba. AMM also encourages greater efforts be made to improve communication between the department and municipalities at the regional level to help effectively deal with issues as they arise.

5. 2011 Flooding

While the last couple of years have been difficult for municipalities due to higher than usual water levels, it appears 2011 is poised to be major event for our province. AMM appreciates the proactive approach being taken by the Province in preparation for possible flooding, and municipalities are confident that the Province is willing to work with them and support them in their flood fighting efforts.

It is critical that information flow directly to municipalities as quickly as possible as often the most up to date forecasts and information can lead to better decisions out in the field.

Therefore AMM is happy to help in any way to connect the Province to municipalities and to facilitate communication in preparation for possible 2011 flooding.

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. Certainly 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 funding for daycares.

These new realities are having serious repercussions for municipalities as they diligently try to balance growing responsibilities with stagnant revenues. Every day 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.

The lead up to this year's provincial election provides an opportunity for all political parties, candidates and citizens to engage in a thoughtful discussion about how these core challenges should be addressed.

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 was estimated in 2007 to be in excess of \$123 billion for current needs. Most alarming is how quickly the deficit has been compounding, as it has doubled over the previous 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.¹

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.² 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 for existing infrastructure is over \$7.5 billion, putting the total municipal deficit for existing infrastructure in Manitoba in excess of \$11 billion, or a staggering \$10,000 per Manitoban. It is certainly an insurmountable

¹ Mirza, Saeed, "Danger Ahead: The Coming Collapse of Canada's Municipal Infrastructure", November 2007 (available at www.fcm.ca)

² City of Winnipeg Administrative Report, "Infrastructure and Possible Funding Options" Tabled at July 22nd, 2009 Council Meeting (available at www.winnipeg.ca)

amount for municipalities to tackle on their own since the total municipal taxes levied in 2008 were just over \$760,000,000.³

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 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.⁴

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.⁵

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 traveling to neighbouring communities to

³ Province of Manitoba, "Statistical Information 2008 – Municipalities of the Province of Manitoba", P.17

⁴ Sonnen, Carl, "Municipal Infrastructure- Macroeconomic impacts of spending and level-of-government financing" May 31, 2008 (available at www.fcm.ca)

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

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 167 boil water advisories in Manitoba, many in Manitoba municipalities.⁶ This means today, 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

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, where they raise their families, where they work and for many 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.

⁶ Province of Manitoba “Provincial Boil Water Advisories” – October 19th, 2010

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 Canada⁷. 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 leave 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.

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

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.

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.

The reality is the property taxation system cannot meet the new demands facing municipalities. Municipalities have been increasing taxes to try to meet these demands however they are falling further and further behind. Over the last 10 years municipalities outside the City of Winnipeg have increased their own taxes levied by over 4 percent a year on average. In 2009 only 13 municipalities outside Winnipeg decreased taxes, while 183 increased taxes, 22 municipalities by over 10 percent. Every year municipalities are going to citizens in their communities and asking them for more and more, yet the infrastructure deficit and budgetary demands continue to rise.

A new approach is needed, and for this reason we are advocating for 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 projects⁸. As the infrastructure deficit continues to grow, support for this will only increase.

The AMM is also asking for other revenue 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 by corresponding financial support.

The sad reality is that while the Province of Manitoba has been a leader 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

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

\$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.

The AMM is therefore asking every political party to make municipal funding a top priority for this year's provincial election. Now is the time for each party to lay out its vision for the future of municipal government in Manitoba and how these core challenges can be addressed. The health of our communities is at stake.

Therefore, the AMM would like to see a commitment from each political party to:

- 1. Make a greater investment in municipal infrastructure**
- 2. End the downloading of responsibilities to municipalities and require that any new mandates come with new funding**
- 3. Provide new growth revenues to municipalities**

Appendix A – Active Resolutions

AMM Resolution Number 43 - 2010

Topic: Flood Proofing Initiative

Sponsor: Village of Dunnottar (No District); RM of St. Clements (No District)

Departments: Manitoba Water Stewardship

WHEREAS the Province of Manitoba has approved a flood proofing initiative to improve and strengthen dykes on private properties;

ANDE WHEREAS the flood proofing initiative does not currently apply to seasonal properties;

AND WHEREAS dykes are only effective when they are continuous, crossing both permanent and seasonal properties;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial Government to change the eligibility criteria of the flood proofing initiative to include both permanent and seasonal properties.

AMM Resolution Number 36 – 2010

Topic: Drain Maintenance

Sponsor: RM of Sifton (Western District)

Departments: Manitoba Water Stewardship

WHEREAS Manitoba Water Stewardship now requires that municipalities must obtain a water license to proceed with minor maintenance works;

AND WHEREAS these simple routine licensing applications consume a considerable amount of municipal staff resoucrs and time;

AND WHEREAS the process adds additional workload to an already overburdend Manitoba Water Stewardship staff;

AND WHEREAS there are additional and unnecessary costs to municipalities including the \$25 application fee, labour and mileage costs;

AND WHEREAS typically these applications are routinely accepted;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province of Manitoba to exempt from this regulation the ordinary maintenance of existing drains and culvert replacement done by municipalities.

AMM Resolution Number 35 – 2010

Topic: Municipal Wetlands Tax Credit Program

Sponsor: RM of Dufferin (Central District)

Departments: Manitoba Water Stewardship

WHEREAS the Rural Municipality of Dufferin has established a Wetlands Tax Credit Program to encourage farmers and landowners to maintain wetlands and re-establish pre-existing wetlands;

AND WHEREAS this tax credit program has enabled the municipality to essentially rent approximately 375 acres for 3 years starting in 2010;

AND WHEREAS the lease of 375 acres will halt the drainage of these lands and provide for further surge areas during spring runoff and rainfall events, reducing flow and providing sediment and nutrient settling;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province of Manitoba and Government of Canada to financially support a municipal wetlands tax credit program.

AMM Resolution Number 34– 2010

Topic: Responsibility for Flooding

Sponsor: RM of Harrison (Midwestern District)

Departments: Manitoba Water Stewardship

WHEREAS flooding issues with lakes and larger bodies of water in the Province of Manitoba are currently designated the responsibility of municipalities;

AND WHEREAS these lakes are considered the property of the Crown;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province of Manitoba and Government of Canada to assume responsibility to resolve local flooding and emergency drainage issues.

AMM Resolution Number 33 – 2010

Topic: Maintenance of Municipal Drains

Sponsor: RM of St. Clements (Eastern District)

Departments: Manitoba Water Stewardship

WHEREAS municipal drains are an important part of municipal infrastructure;

AND WHEREAS these drains may sometimes be located on privately owned lands;

AND WHEREAS the legal approach to gaining access to these lands, via an easement agreement or through expropriation are costly and time consuming;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province of Manitoba to provide municipal councils the ability to maintain municipal drains without the need of easements or land ownership.

AMM Resolution Number 48 - 2009

Topic: Updated Water Stewardship Information

Sponsor: Town of Gretna (Central District)

Departments: Manitoba Water Stewardship

WHEREAS Manitoba experienced significant water issues in the Spring of 2009 requiring a state of emergency to be called in numerous municipalities;

AND WHEREAS many municipalities relied on websites for water level information, one of the sites being the Province of Manitoba Water Stewardship website;

AND WHEREAS the water level information was typically made available late afternoon for the current day on the Water Stewardship site, yet other sites posted information on a timely basis with many posting throughout the day, at times up to every 15 minutes, allowing municipalities to be informed while making decisions in the active fight to minimize damage to occupied dwellings;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to improve the Water Stewardship site in times of high risk and/or emergency situations by increasing the number of postings of water levels throughout the day, allowing municipalities to get up-to-date information throughout the day.

AMM Resolution Number 71 - 2008

Topic: Increase Conservation District Funding

Sponsor: RM of Louise (Central District)

Departments: Manitoba Water Stewardship

WHEREAS the Province of Manitoba proposed an inequitable new funding formula for the allocation of funding to conservation districts;

AND WHEREAS the proposed funding formula will decrease funding for some conservation districts;

AND WHEREAS the overall funding provided by the Province and the proposed new funding formula is inadequate to address the addition of conservation districts into the program and to accomplish conservation objectives as directed by the Province;

AND WHEREAS under the current funding structure, Provincial expectations of the conservation districts to assume greater responsibilities, yet to continue to be effective and efficient in the administration of provincial priorities, is unreasonable, unfair and places a financial burden on municipal ratepayers to absorb cost shortages;

AND WHEREAS municipalities should not be expected to increase conservation levies to further fund the management of priorities for which the Province is ultimately responsible;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to increase the overall funding to the Conservation Districts Program to address future growth and to provide adequate funding to existing conservation districts to ensure the continued effective and efficient management of Provincial priorities;

AND BE IT FURTHER RESOLVED that the Province of Manitoba replace the proposed new funding formula with one that will ensure that conservation districts have the resources available to fulfill Provincial directives without placing the financial onus on municipalities.

AMM Resolution Number 70 - 2008

Topic: Water Rights License Applications

Sponsor: RM of Taché (Eastern District)

Departments: Manitoba Water Stewardship

WHEREAS municipalities are required to apply and obtain water rights licenses for drainage works;

AND WHEREAS an efficient annual municipal drainage program requires timely issuance of licenses;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to review the staffing complement of drainage officers to determine its sufficiency and establish standards for responding to water rights license applications.

AMM Resolution Number 69 - 2008

Topic: Manitoba Water Services Board

Sponsor: RM of Elton (Western District)

Departments: Manitoba Water Stewardship; Manitoba Infrastructure and Transportation

WHEREAS the Manitoba Water Services Board provides funding and expertise to Manitoba municipalities relating to water and sewer infrastructure, including rural water lines;

AND WHEREAS construction costs for water and sewer related infrastructure for Manitoba municipalities have increased an average of 10% every year;

AND WHEREAS the Provincial allocation for the Manitoba Water Services Board from the Province of Manitoba has not increased for the last ten years, resulting in fewer infrastructure projects being initiated for Manitoba;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to increase the annual budget to the Manitoba Water Services Board to fund infrastructure projects and provide expertise for water and sewer infrastructure

AMM Resolution Number 63 - 2005

Topic: Provincial Drain Management

Sponsor: RM of St. Andrews

Departments: Manitoba Water Stewardship

WHEREAS drainage is a large concern for many municipalities in the Province of Manitoba;

AND WHEREAS the Province of Manitoba has, in the past, provided and maintained both Provincial drains and highway drains;

AND WHEREAS the provision of and maintenance of Provincial drainage and highway drainage is not occurring at this time;

AND WHEREAS the major stumbling block to the applicable departments looking after the above responsibilities is a lack of funding;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to provide adequate funding to the applicable departments to ensure that drainage systems that are the responsibility of the Province of Manitoba are both constructed and maintained.

AMM Resolution Number 23 - 2003

Topic: Provincial Water Retention Policy

Sponsor: RM of Westbourne (Midwestern)

Departments: Manitoba Water Stewardship; Manitoba Finance

WHEREAS water is one of the most important natural resources in Manitoba;

AND WHEREAS water is a necessity for sustaining life and industry throughout Manitoba;

AND WHEREAS increased drainage and land clearing has reduced the ability of aquifers to adequately recharge in the spring and throughout the year;

AND WHEREAS it should be the responsibility of all residents of Manitoba to conserve and protect our water supply;

AND WHEREAS areas of the Province are experiencing an increasing demand for water to sustain and improve agricultural industries;

AND WHEREAS there are no incentives for landowners to conserve moisture and preserve areas well-suited to water retention projects;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Provincial Government to develop a Water Retention Policy to ensure aquifers are adequately recharged in periods of spring runoff and heavy moisture conditions;

AND BE IT FURTHER RESOLVED THAT this policy include Environmental Tax Credits for those property owners who are willing to preserve wooded areas and maintain water storage projects on their property.

AMM Resolution Number 39 - 2001

Topic: Protection for Groundwater Services

Sponsor: Town of Stonewall; RM of Woodworth

Departments: Manitoba Water Stewardship; Manitoba Intergovernmental Affairs

WHEREAS the quality of potable groundwater has always been of great importance to the quality of life and health of the citizens of the province;

AND WHEREAS a potable water source is essential for rural residential land uses;

AND WHEREAS septic fields and injection systems in rural residential developments are resulting in a negative impact on potable groundwater sources;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province to strengthen the provincial land use policies to require greater protection for potable groundwater sources.

AMM Resolution Number 32 - 2001

Topic: Maintenance of Natural Waterways

Sponsor: RM of Morris (Eastern District)

Departments: Manitoba Water Stewardship

WHEREAS the natural waterways in the Province are designated under the responsibility of the local municipality;

AND WHEREAS these natural waterways are a cost factor beyond most municipalities' capabilities for crossings, etc.

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities request that the Province accept responsibility for all natural waterways and their required crossings.

AMM Resolution Number 30 - 2001

Topic: Provincial Maintenance of Drains

Sponsor: RM of Morris (Eastern District); RM of Rosser (Interlake District); RM of MacDonald (Central District)

Departments: Manitoba Water Stewardship

WHEREAS inadequate drainage of agricultural land is a major concern to both the farming community and to municipalities;

AND WHEREAS municipalities continue to improve drainage to keep pace with the expectations of the farming community;

AND WHEREAS the Department of Conservation has made little attempt to maintain drainage systems for which they are responsible;

AND WHEREAS the financial loss due to improper drainage not only affects the farming community, but reduces the revenues that would be generated to the federal and provincial governments;

THEREFORE BE IT RESOLVED THAT the Association of Manitoba Municipalities lobby the Province to undertake work on their drains to provide proper and adequate drainage;

BE IT FURTHER RESOLVED that the Association of Manitoba Municipalities lobby the Province to improve and upgrade drains that are the jurisdiction and responsibility of the Department of Conservation.

BE IT FURTHER RESOLVED that the Association of Manitoba Municipalities lobby the Province to provide additional funding that would allow for the maintenance of provincial drains to provide efficient drainage of land in the agricultural areas of the Province.