



ASSOCIATION OF
MANITOBA
MUNICIPALITIES

**Meeting with the Honourable Jeff Wharton
Minister of Crown Services**

2020

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Introduction

- The Association of Manitoba Municipalities (AMM) appreciates the opportunity to meet with Minister Jeff Wharton and representatives of Manitoba Crown Services.
- The AMM encourages the Province of Manitoba to consider municipal concerns as well as the effects of funding decisions on local communities throughout the budget process.
- The *Speech from the Throne* (November 2019) highlighted the provincial government's commitment to work closely with municipal partners to provide efficient, cost-effective local government, in response to the AMM calling for a 'Partners in Growth' Memorandum of Understanding during the provincial election campaign. The AMM looks forward to working with the Province of Manitoba to strengthen provincial-municipal growth and partnership opportunities through a balanced discussion of both revenues and expenditures.
- This document outlines the AMM's position and recommendations on a number of important municipal issues relevant to the Crown Services portfolio.

Priority Issues

1) Manitoba Hydro Review & Regional Office Consolidation Update

The AMM recommends the government:

- ❖ ***Provide an update on the ongoing review of Manitoba Hydro;***
 - ❖ ***Consult with the AMM to help improve Manitoba Hydro's customer service policies; and***
 - ❖ ***Ensure remaining vacant Manitoba Hydro buildings due to regional office consolidations are repurposed in a timely manner.***
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- As *The Manitoba Hydro Act* was established in 1987 and significant changes have occurred since that time, the AMM welcomes the provincial review of Manitoba Hydro in consultation with Manitoba municipalities.
 - AMM members have expressed frustration about Manitoba Hydro customer service and operational procedures, particularly regarding cases that have increased costs and created unnecessary delays that affect municipal growth projects.
 - The AMM would appreciate an update on the provincial review of Manitoba Hydro to ensure its policies and procedures moving forward are cost-effective and responsive to municipal needs.
 - In addition, Manitoba Hydro's efforts to consolidate regional offices initially resulted 36 vacated buildings across Manitoba, yet 26 of these buildings remain vacant or have been retained for internal Manitoba Hydro purposes (as of May 2018).
 - It is imperative that vacant Manitoba Hydro infrastructure be repurposed in a timely manner since full office closures could potentially jeopardize the sustainability and economic well-being of many communities.
 - We therefore urge Manitoba Hydro to continue to consult with the AMM on the impact of consolidating regional offices throughout Manitoba, and immediately review any individual cases of underperforming customer service due to this consolidation.

2) Efficiency Manitoba and Support for Recreational Facilities

The AMM recommends the government:

❖ ***Ensure Efficiency Manitoba and Manitoba Hydro enhance and develop new energy-saving programs that decrease operating costs for community-owned public recreation facilities.***

- Public recreation facilities are important assets that not only contribute to quality of life and well-being but also play a vital role in attracting newcomers and retaining families in local communities.
- However, maintaining many of these public facilities throughout Manitoba is financially unsustainable due to ever-increasing operating costs, which include hydro and gas costs and increased insurance premiums.
- Several recreational facilities are struggling to stay open as these facilities have limited capacity to raise additional revenue to offset increasing costs.
- The AMM continues to encourage the Province to further enhance and develop new energy-saving programs that decrease operating costs for community-owned public recreation facilities.
- Meanwhile, additional Manitoba Hydro rate increases will continue to negatively impact municipalities, particularly in the operation of public recreation infrastructure.
- Additionally, the AMM appreciated the opportunity to provide input into Efficiency Manitoba's three-year Efficiency Plan which has been approved by the Public Utilities Board (PUB).
- We encourage Efficiency Manitoba to focus on streamlined service delivery and leverage available funding and programming from other departments within the provincial government or federal government to support local communities with their energy saving plans and efficiency initiatives.

Appendix – AMM Active Resolutions

AMM Resolution #30-2019

Topic: Review of The Manitoba Hydro Act

Sponsor(s): Municipality of Bifrost-Riverton (Interlake District)

Department(s): Manitoba Crown Services; Manitoba Hydro

WHEREAS the Municipality of Bifrost-Riverton is increasingly encountering issues related to the placement of Manitoba Hydro's power distribution poles in municipal right-of-ways by placing the poles too close to the road, so they obstruct municipal ditching efforts making it impossible to dig to the back slope required by an approved provincial license to construct water control works; and

WHEREAS The Manitoba Hydro Act was established in 1987 and significant changes have occurred in the jurisdictions and operations of Manitoba municipalities since that time;

THEREFORE BE IT RESOLVED THAT the AMM lobby Manitoba Hydro and Province of Manitoba to complete a comprehensive review of The Manitoba Hydro Act in consultation with Manitoba municipalities.

AMM Resolution #31-2019

Topic: Manitoba Hydro Customer Service

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

Department(s): Manitoba Crown Services; Manitoba Hydro

WHEREAS the Province of Manitoba provides direction and oversight to Manitoba Hydro through the Minister of Crown Services and the Manitoba Hydro Electric Board; and

WHEREAS Manitobans in all areas of the province are experiencing customer service issues when dealing with Manitoba Hydro; and

WHEREAS these issues affect everyday matters, including extended delays in the completion of work, lengthy timelines for the design and layout of new construction and service extensions, conflicts between Manitoba Hydro's capital plans and community developments and excess need for easements; and

WHEREAS these issues often result in increased costs to developers, homeowners, businesses, municipalities and families; and

WHEREAS the Province of Manitoba has the power to initiate an independent study to improve Customer Services at Manitoba Hydro with the objective of bringing positive change to the policies of the Crown Corporation more in line with those normally encountered in a competitive business environment;

THEREFORE BE IT RESOLVED THAT that AMM lobby the provincial government to improve Manitoba Hydro's Customer Service functions and policies so that the essential services they provide are timelier and more cost effective to Manitoba residents.

AMM Resolution #32-2019

Topic: Community Benefit Program for the Manitoba-Minnesota Transmission Line

Sponsor(s): RM of Piney (Eastern District), RM of La Broquerie (Eastern District), RM of Ste. Anne (Eastern District), RM of Stuartburn (Eastern District), RM of Taché (Eastern District)

Department(s): Manitoba Crown Services; Manitoba Hydro

WHEREAS the Rural Municipalities of Springfield, Ste. Anne, Taché, La Broquerie, Stuartburn and Piney are all affected by the construction of a new 500-kilovolt transmission line from the Dorsey Converter Station near Rosser to the Manitoba-Minnesota international border; and

WHEREAS the affected municipalities have been in negotiation and discussion with Manitoba Hydro for in excess of five years on the development of a "Community Benefit Program (CBP" funding model; and

WHEREAS the affected municipalities were led to believe the CBP was likely going to be implemented and available to the municipalities affected by the Manitoba-Minnesota Transmission Line; and

WHEREAS the six affected municipalities received notice on February 4, 2019 that there was a change in policy direction and that CBP funding would no longer be available for the Manitoba-Minnesota Transmission Line due to a broad government policy change; and

WHEREAS the provincial government has indicated that Manitoba Hydro will not pay CBP funding when there aren't any adverse effects, such as health and safety risks; and

WHEREAS the affected municipalities see significant adverse effects including road damage, lower assessment values, increased risk of disasters such as wildland fires, decreased economic viability for land development and reduced agricultural viability from the construction and ongoing maintenance of the line; and

WHEREAS the municipal impacts continue for the total useful asset life of the transmission line and compound as the impacted municipalities grow;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and Manitoba Hydro to reverse their decision on the delivery of Community Benefit Program (CBP) funding to those municipalities impacted by the construction of the Manitoba-Minnesota Transmission Line; and

FURTHER BE IT RESOLVED THAT Manitoba Hydro pay CBP funding for the real impacts incurred by the municipalities; and

FURTHER BE IT RESOLVED THAT the reinstated funding be at the same level as the proposed by Manitoba Hydro in negotiations prior to the February 4th, 2019 decision.

AMM Resolution #39-2018

Topic: Energy Costs for Recreational Facilities *Standing Policy

Sponsor(s): Riverdale Municipality (Western District)

Department(s): Manitoba Crown Services; Manitoba Hydro; Manitoba Finance; Public Utilities Board

WHEREAS recreation facilities are deemed to be the heart of a community and attract young families to communities; and

WHEREAS the costs to maintain and operate recreation facilities continues to climb, in particular when it comes to energy costs; and

WHEREAS rising energy costs are not only a huge burden but they put municipalities at risk of being unable to afford the operations of recreational buildings;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and/or the Public Utilities Board to provide a reduced rate for gas and electric from Manitoba Hydro to all recreational facilities.

AMM Resolution #39-2017

Topic: Manitoba Hydro Agreements

Sponsor(s): RM of Springfield (Eastern District)

Department(s): Manitoba Crown Services; Manitoba Hydro

WHEREAS Manitoba Hydro has changed its policy and is now requesting municipalities to enter into license agreements instead of easement agreements; and

WHEREAS the preferred method of negotiation with Manitoba Hydro would be through easements as they are an interest in the property and presumed to be permanent; and

WHEREAS a license does not transfer an interest in the property and is usually revocable after a specific length of time;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend the policy for allowing easements to municipalities when dealing with permanent infrastructure within Manitoba Hydro rights-of-way.

AMM Resolution #40-2017

Topic: Electric Vehicle Charging Stations

Sponsor(s): City of Morden (Central District)

Department(s): Manitoba Crown Services; Manitoba Hydro

WHEREAS municipalities may be interested in having electric vehicle charging stations located within their jurisdiction; and

WHEREAS these charging stations would require the ability to charge on actual use that being per kwh; and

WHEREAS Section 15.2 of the Manitoba Hydro Act states "no person other than the corporation shall engage in the retail supply of power in Manitoba";

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to amend the Manitoba Hydro Act to allow for the retail of power by persons or organizations other than Manitoba Hydro for electric vehicle charging stations.

AMM Resolution #43-2016

Topic: Mandatory Utility Consultation

Sponsor(s): RM of Morris (Central District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba Hydro and MTS both promote the "Call Before you Dig" program; and

WHEREAS numerous Manitoba municipalities have installed rural water lines to provide potable water to their residents; and

WHEREAS there have been occasions where Manitoba Hydro has not contacted rural municipalities to ensure that their "digging" will not compromise such rural utility lines;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to make it mandatory for Manitoba Hydro and MTS to inquire with local municipal authorities to ensure no local utilities will be compromised by their "digging" activities.

AMM Resolution #26-2015

Topic: Manitoba Hydro Rate Billing

Sponsor(s): RM of Lac du Bonnet (Eastern District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba communities are finding it increasingly more difficult to operate their ice hockey arenas for their residents because of increasing costs;

AND WHEREAS ice hockey arenas have their primary use during the winter months;

AND WHEREAS Manitoba Hydro electricity costs are based on a demand rate for power consumed which in turn adds a considerable amount to overall operational costs;

AND WHEREAS during the summer months when local arenas may only be used occasionally, much less electric power is being consumed, but the demand rate is still applicable;

AND WHEREAS the demand rate makes it inordinately expensive to operate the arena for only four or five uses per month;

AND WHEREAS lower electricity rates would allow communities to make greater use of their arenas during the summer without paying a high demand rate monthly bill;

THEREFORE BE IT RESOLVED THAT the AMM lobby Manitoba Hydro to charge the affected arenas and other municipally-owned buildings, such as community centres, only for actual power used and not at the level of the demand rate.

AMM Resolution #28-2014

Topic: Manitoba Hydro Community Development Funding

Sponsor(s): RM of Piney (Eastern District), RM of Franklin (Eastern District)

Department(s): Manitoba Crown Services

WHEREAS Manitoba Hydro constructed a number of power lines specific for export sales to jurisdictions outside the Province of Manitoba and to the benefit of Manitoba Hydro;

AND WHEREAS the municipalities that these export lines cross receive no economic benefit beyond initial construction;

AND WHEREAS these export lines are a burden on the municipalities as they require ongoing maintenance by Manitoba Hydro to the detriment of municipal infrastructure, and they have a heavy impact on the aesthetics of the municipality;

AND WHEREAS Manitoba Hydro has introduced a Community Development Initiative to benefit communities beyond the primary construction stage for BiPole III;

AND WHEREAS Manitoba Hydro has other major transmission lines proposed for future development within the Province of Manitoba;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba and Manitoba Hydro to deliver a program that provides equality in the supply of initiatives and benefits to other major power lines and proposed future power lines, equivalent to the current Community Development Initiative.