

Minutes of a Special Meeting of Council held at City Hall in the City of Portage la Prairie on Wednesday, December 21, 2005 at 12:00 p.m.

- PRESENT:** Mayor MacKenzie, Councillors Brennan, Quinn, Porter, Keryluk, Robinson, and Wagner
- ABSENT:** None
- ADOPTION OF MINUTES** 319/05 Moved by: Councillor Quinn
Seconded by: Councillor Keryluk
RESOLVED THAT the approval of the Minutes of the regular meeting of Council held at City Hall on Monday, December 12, 2005 be waived.
Carried.
- HEARINGS:** None
- DELEGATIONS:** None
- COMMITTEES:** **Your Worship, the Public Safety Committee respectfully submits the following report:**
- Fire Fighters Collective Agreement Council reviewed a report on the Fire Fighters Collective Agreement.
- 320/05 Moved by: Councillor Wagner
Seconded by: Councillor Brennan
RESOLVED That the City of Portage la Prairie enter into a new collective agreement with the Portage la Prairie Fire Fighters Local 1079 for the years 2006, 2007 and 2008 as presented and that the Mayor and City Manager be authorized to sign the agreement.
Carried.
- DEFERRED BUSINESS:** None.
- NEW BUSINESS:** None
- OLD BUSINESS:** **Your Worship, the Waterworks Committee respectfully submits the following report:**
- Water & Sewer Rate Study All rates are proposed to increase by 3% for water each year to deal with inflationary costs. Sewer rates at step 1 (the low volume water level) propose 6.5% for each year and 8.5% for each year for step 2 (the large volume water level) to deal with inflationary costs and nutrient removal debt payments. These increases were proposed for each of the years 2006 to 2010 inclusive.
- First reading of the by-law was given June 13, 2005. On October 24, 2005 the public hearing was held with members of the Public Utilities Board, City Council and the public in attendance.
- The Board was later updated with information regarding the negative impact on City revenues due to the expected decrease in water consumption by McCain Foods Ltd. as a result of the announced shutdown of their 3rd processing line. As well, less cost participation from the industries for sludge removal contribute to the total negative financial impact of over \$500,000 in 2006.
- The Public Utilities Board has submitted their order in a 53 page document that summarizes the information received from the study, application and the hearing and further discussions. The full report is available on the City's Web site and the City's public bulletin board at City Hall.

1. By-law No. 05-8278 of the City of Portage la Prairie BE AND THE SAME IS HEREBY APPROVED subject to amendment to agree with Schedule "A" attached hereto, reflecting the Board's rate direction (i.e. an across the board increase to water rates of 3% and increases of 6.5% and 8.5% to the first and second block of sewer rates, respectively, as well as increases to water activation fee of \$5.00 and hydrant rental rates for non-metered hydrants located outside Portage of \$75.00);
2. Proposed rate increases for the years 2007 to and including 2010 are deferred for a future rate hearing, provisionally to be held in the fall of 2006;
3. The City of Portage la Prairie file a report with The Public Utilities Board no later than June 30, 2006, providing:
 - a) actual audited 2005 operating results of the utility;
 - b) a report on its consultations with large industry with respect to its nutrient removal plans;
 - c) a report on any discussions it may have had with the Manitoba Water Services Board and the Province with respect to its capital expenditures requirements for its utility through 2010;
 - d) an update of its forecasts for 2006 through 2010 based on the rate increases provided by this Order;
 - e) Portage's preliminary view of rate adequacy for the years 2007 through 2010;
 - f) A review of the present volume blocks, comparing the blocks with revenue adequacy for equity and full cost recovery; and
 - g) A review of the adequacy of the administrative cost allocation made against the utility by the general operating fund.
4. The City of Portage la Prairie continue to meet with industry and the Province regarding nutrient removal, and provide a report to the Board by June 30, 2006; and
5. A new public hearing shall be called for the fall of 2006, and Portage shall file an application in that respect with the Board by August 31, 2006.

The by-law setting the rates for 2006 is ready for 2nd and 3rd reading.

321/05 Moved by: Councillor Robinson
Seconded by: Councillor Porter

RESOLVED THAT By-Law 05-8278, being a by-law to authorize the change in water and sewer rates for 2006, be amended by deleting any reference to rate increases in the years 2007 to 2010, be given second reading as amended and

THAT By-Law 05-8278, be given third reading, finally passed, signed and sealed.

Carried.

In Favour: Mayor MacKenzie, Councillors Wagner, Keryluk, Robinson, Brennan, Quinn and Porter

2006 Budget

Council discussed the 2006 Budget Speech.

ADJOURNMENT:

The meeting adjourned at 12:45 p.m.

Mayor

Manager of Administration