

Council Chambers  
City Hall, Saskatoon, Sask.  
Monday, March 20, 2006  
at 4:00 p.m.

## **MINUTES OF SPECIAL MEETING OF CITY COUNCIL**

**PRESENT:** His Worship the Mayor, in the Chair;  
Councillors Alm, Birkmaier, Dubois, Fortosky, Heidt, Hnatyshyn,  
Neault, Paulsen, and Wyant;  
City Manager Richards;  
General Manager, Corporate Services Bilanski;  
General Manager, Community Services Gauthier;  
General Manager, Fire and Protective Services Bentley;  
General Manager, Infrastructure Services Uzelman;  
General Manager, Utility Services Totland;  
City Solicitor Dust;  
City Clerk Mann; and  
Council Assistant Mitchener

*Councillor Fortosky entered the meeting at 4:01 p.m. and Councillor Paulsen entered the meeting at 4:05 p.m.*

**1. New Deal for Cities and Communities**  
**(File No. CK. 1860-1)**

The following is a report of the General Manager, Corporate Services Department dated March 17, 2006:

**“RECOMMENDATION:** that City Council authorize His Worship the Mayor and the City Clerk to sign the attached contribution agreement.

The Federal and Provincial governments entered into a ten-year agreement, on August 23, 2005, respecting the transfer of Federal gas tax revenues to municipalities in Saskatchewan. This agreement included the annual allocation of gas tax transfers to Saskatchewan for the first five years of the agreement. It also notes that the distribution of these funds to municipalities within Saskatchewan will be on a per capita basis.

The agreement requires municipalities to first file an Infrastructure Investment Plan, including a summary of the projects for which the municipality intends to use the funds, and the outcomes and outputs the municipality expects from the use of the funds. Upon approval of the Infrastructure Investment Plan, the municipality receives a funding agreement, which provides for the distribution of the gas tax funds from the Province to the municipality.

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Your Administration intends to file an Infrastructure Investment Plan with nine projects (all of which are in the City's Capital Budget/Capital Plan):

|       |  |
|-------|--|
| P0993 | South Bridge                                 |
| P1208 | WTP - New Intake Facility (approved in 2005) |
| P1210 | WTP - Filter Plant Upgrade/Expansion         |
| P1234 | WWT - Odour Abatement System                 |
| P1243 | WWT - Lift Station Upgrades                  |
| P2000 | 25th Street Extension                        |
| P2002 | Circle Drive/College Interchange             |
| P2003 | Highway 7/14 Interchange                     |
| P2009 | Circle Drive Bridge Widening                 |

The approved budget (or plan year estimates) of these projects greatly exceeds the total amount available to be financed from the gas tax. However, not all costs incurred in these projects are eligible to be paid by the Gas Tax. It is to ensure that there is no question this municipality has incurred enough eligible costs to warrant our complete gas tax allocation every year that the Administration is submitting all nine projects under Saskatoon's Infrastructure Investment Plan.

With respect to financing the Plan, the Administration proposes no change to the long-term financing plan already in place. The whole program will be financed through some planned capital reserve contributions, some external contributions, and new debt. This debt will be repaid from the gas tax transfer received annually by the City (for up to 15 years), and planned debentures issued through the Water and Wastewater Utilities. There is no new mill-rate debt proposed to finance this Investment Plan.

Your Administration has already submitted four of the nine Investment Plan projects. The other five projects will be submitted shortly. However, the projects already submitted are sufficient for the Province to prepare the five-year Funding Agreement for the annual gas tax transfer between the Province and the City. This agreement is attached (Attachment 1).

This agreement details the expected annual allocation of funds to Saskatoon through 2009-2010, which is consistent with the funding assumptions made to date. The agreement also addresses the required Infrastructure Investment Plan, eligible projects and eligible costs, the payment process, and reporting requirements.

Your Administration is recommending the City Council authorize the Mayor and City Clerk to execute this agreement on behalf of the City.

**PUBLIC NOTICE**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

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**ATTACHMENT**

1. Funding Agreement – Transfer of Federal Gas Tax Revenues under the New Deal For Cities and Communities.”

*Moved by Councillor Dubois, Seconded by Councillor Wyant,*

*THAT City Council authorize His Worship the Mayor and the City Clerk to sign the attached contribution agreement.*

*YEAS: His Worship the Mayor, Councillors Alm, Birkmaier, Dubois, Fortosky,  
Heidt, Neault, Paulsen, and Wyant* 9

*NAYS: Councillor Hnatyshyn* 1

*CARRIED.*

*Moved by Councillor Hnatyshyn,*

*THAT the meeting stand adjourned.*

*CARRIED.*

*The meeting adjourned at 4:16 p.m.*

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Mayor

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City Clerk