

HALIFAX REGIONAL COUNCIL
COMMITTEE OF THE WHOLE
MINUTES

May 21, 2010

PRESENT: Mayor Peter Kelly
Deputy Mayor Brad Johns
Councillors: Steve Streach
Barry Dalrymple
David Hendsbee
Lorelei Nicoll
Gloria McCluskey
Darren Fisher
Bill Karsten
Jackie Barkhouse
Jim Smith
Mary Wile
Jerry Blumenthal
Dawn M. Sloane
Sue Uteck
Jennifer Watts
Russell Walker
Debbie Hum
Linda Mosher
Stephen D. Adams
Robert P. Harvey
Tim Outhit
Reg Rankin
Peter Lund

STAFF: Mr. Dan English, Chief Administrative Officer
Mr. Wayne Anstey, Acting Chief Administrative Officer
Ms. Mary Ellen Donovan, Municipal Solicitor
Ms. Sherryll Murphy, Acting Municipal Clerk
Ms. Sheilagh Edmonds, Legislative Assistant
Ms. Melody Campbell, Legislative Assistant

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1. CALL TO ORDER

Mayor Kelly called the meeting to order at 9:32 a.m.

2. APPROVAL OF THE MINUTES - None

3. BUDGET UPDATE

- Two memorandums dated May 21, 2010, entitled Summary of 2010/11 Budget & Business Planning Open House Councillor Questions and Answers - Part 1 and Part 2, were submitted from Mr. Marc Scarfone, Business Planning Coordinator
- A report dated May 21, 2010 was submitted from the Chair of the Board of Police Commissioners
- Correspondence was submitted from the following individuals:
 - Lee and Karen MacRae
 - Tristan Flynn
 - Douglas Ashford
 - Pam Cooley
 - Barry Zwicker
 - Paula Minnikin
 - Robert Sciocchetti
 - John Wesley Chisholm
 - Jan Tremblay
 - Frank Buchanan
 - Brent Larsen
 - Tracey Whyte
 - Valerie Payn
 - Brian Bennett
 - Jim Candow
 - Steve Jensen

MOVED by Councillor Walker, seconded by Councillor Streach that Halifax Regional Council approve the 2010/2011 Project (Capital), Operating and Reserve Budgets as tabled on May18, 2010.

Mr. Dan English, Chief Administrative Officer advised that staff have carried out further analysis on the Transit Service Plan and found that there were some savings and efficiencies which resulted in the \$10 million in required revenue being reduced to \$8.3 million, which is a reduction in the overall budget of approximately \$2 million.

With regard to the Police budget, Mr. English added that last Tuesday Council received a report indicating that the Board of Police Commissioners was recommending a different budget amount from what was in the budget document. He advised that it was his understanding the Police Commission met earlier this morning and passed a motion supporting the numbers in the budget document.

At 9:35 a.m. Councillors Mosher and Harvey entered the meeting.

Mr. Phil Townsend, Director, Infrastructure and Asset Management presented an overview of the Capital Budget. He began his remarks by noting that, going forward, staff will be referring to the Capital Budget as the Project Budget, to reflect that on PSAP principles, some of the work formerly debt funded will now be funded from Operating. Mr. Townsend noted that these projects will be managed by the same staff and will still be presented to Council as part of the budget, and this will have no net impact on the overall budget. Before dealing with the 2010/11 project budget, he provided a brief overview of the relationship between HRM's operating and project budgets.

Councillor Outhit entered the meeting at 9:37 a.m.

Highlights of Mr. Townsend's remarks are as follows:

- HRM's Operating Budget needs time to catch up and grow to support the significant growth in infrastructure investment in 2009/10 and will continue to see in 2010/11
- The Operating and Capital Budgets need to be managed in tandem
- Staff, once again, revisited project priorities and funding strategies to assist in closing the \$35.5 million operating budget gap, while at the same time managing the impact of reduced capital from operating funds; this has resulted in the closing out of some completed projects, moving some projects to future years and, for the short term only, reducing the funding directed towards existing infrastructure re-capitalization

Councillor Sloane entered the meeting at 9:40 a.m.

- There will be a temporary shift away from recapitalization of road, sidewalk, facilities and parks
- As staff move forward in future years in the five year plan, funding recommendations to Council will be based more on an asset management approach
- New federal funding programs are not expected to materialize, therefore, for the foreseeable future HRM will be sole funding most infrastructure projects
- In future years, there will be a return focus on infrastructure re-capitalization

Mr. English advised that on March 23, 2010 during the fiscal framework discussion, Council passed a motion directing staff to table a proposed budget that included \$10 million on the transit tax rates. This is now \$8 million. As well, Council directed staff to bring in \$6 million on the general tax rate, and Council directed staff to find \$14 million in savings. Mr. English added that subsequent to this, the Provincial budget impacted at approximately \$2.5 million, and staff have included an additional \$3 million in the snow and ice budget.

Mr. English advised that staff received significant feedback during the Open Houses and have reviewed additional opportunities for savings. He then proposed the following changes to the budget for an additional \$3 million in savings on the tax rate, as follows:

- \$1 million reduction in the budget in regard to transfer into Reserve (Variable Operating Stabilization Reserve)
- \$1 million reduction in Capital
- \$1 million reduction in the increase of the snow removal reduction (from a \$3 million increase in the budget down to a \$2 million increase)

Mr. English pointed out that the proposed reductions in the transfer into Reserve and snow removal are a bit risky and are not sustainable. He added that staff are also proposing to come back to Council in the Fall with an additional \$10 million in savings to help in regard to next year's budget. Mr. English concluded his remarks by advising that if Council approves the motion with the amendments put forward, it would reduce the impact on the average assessed home from \$56 to \$36, bringing the general rate increase of 1.7 percent down to less than 1 percent.

Mayor Kelly requested Mr. English review the process for the Fall as noted in his remarks.

Councillor Adams entered the meeting at 9:50 a.m.

Mr. English explained that in the Fall, he is proposing that staff undertake a complete review of the winter works program to find additional savings; Fleet Operations will be reviewed (all vehicles but emergency response vehicles); and to carry out a governance review of the Library operations.

MOVED by Councillor Walker, seconded by Councillor Streach that the motion be amended to include the proposal by the Chief Administrative Officer as follows:

- **\$1 million reduction in the budget in regard to transfer into Reserve (Variable Operating Stabilization Reserve)**
- **\$1 million reduction in Capital**
- **\$1 million reduction in the increase of the snow removal reduction (from a \$3 million increase in the budget down to a \$2 million increase)**
- **staff to carry out a further review in the Fall for an additional \$10 million savings, and report back to Council.**

The amended motion now reads:

MOVED by Councillor Walker, seconded by Councillor Streach that Halifax Regional Council approve the 2010/2011 Project (Capital), Operating and Reserve Budgets as tabled on May18, 2010 and including the following:

- **\$1 million reduction in the budget in regard to transfer into Reserve (Variable Operating Stabilization Reserve)**
- **\$1 million reduction in Capital**
- **\$1 million reduction in the increase of the snow removal reduction (from a \$3 million increase in the budget down to a \$2 million increase)**

- **staff to carry out a further review in the Fall for an additional \$10 million savings, and report back to Council.**

At 9:53 a.m. Councillor Barkhouse entered the meeting.

Councillor Hum rose on a Point of Order. She referred to the memorandum entitled, Summary of 2010/11 Budget & Business Planning Open House Councillor Questions & Answers - Part 1 and advised that this had just been circulated to Council and she asked for an opportunity to review it before Council begins into debate on the budget.

Mayor Kelly advised that Council would take a brief recess.

Council recessed at 9:55 a.m.

Council reconvened at 10:17 a.m. During the recess, Councillors Hendsbee and Wile entered the meeting.

Mr. Dan English, Chief Administrative Officer provided clarification in regard to the service review. He explained that in addition to what he has proposed today for service review, Council had previously approved a review of recreation services and a review of the economic development agencies, and he noted that these will be coming back to Council.

Transit Service Plan

Councillor Uteck noted that 74 percent of the public that live on Peninsula Halifax and who have access to Transit do not use it because they have the ability to walk and bike. She added that she felt it was unfair to have the transit tax at 1 kilometre.

MOVED by Councillor Uteck, seconded by Councillor McCluskey that the \$8.3 million in revenue to be achieved through the transit rate paid by those living within 1 kilometre be moved to the general transit rate.

In response to the Mayor's request for staff to clarify the impact of this, Mr. Bruce Fisher, Manager, Fiscal and Tax Policy, explained that, assuming that the proposal is to increase the regional tax rate to cover all transit expenditures, means that the Resource and Agricultural area would not pay for any of the transit related expenditures, and everyone would pay 13.5 cents.

At the request of Mayor Kelly, Councillor Uteck restated her motion as follows:

MOVED by Councillor Uteck, seconded by Councillor McCluskey that the local transit rate be collapsed into the regional rate.

A discussion ensued with staff responding to questions.

Mayor Kelly requested staff clarification on the effect the motion would have on the transit tax rate.

Mr. Fisher advised that the local rate would drop to zero and the regional rate would increase to 13.1 cents. There would be two-tenths of a cent decline for those paying both rates, and for those in an area living farther than 1 kilometre from transit, an increase from 8.8 cents to 13.5 cents.

The discussion continued with staff responding to questions.

With the majority of Councillors advising that they would not support the motion, Councillor Uteck indicated that she was willing to withdraw her motion.

The Mayor called for the question on the motion

MOTION DEFEATED.

Councillor Blumenthal advised that he was very disappointed that the Seniors Manor bus route was going to be removed as of this November. He added that it was a bad time of the year to cease the operation and suggested that Transit should do something to keep the route until, at least, the end of winter. Councillor Blumenthal also pointed out that he believed if there was better promotion about the existence of this route, the ridership would increase.

In response to a question by Mayor Kelly, Ms. Pat Soanes, General Manager, Metro Transit advised that the calculation for eliminating this route is \$180,000 in savings, annually.

MOVED by Councillor Blumenthal, seconded by Councillor Streach that the transit tax rate be increased to include \$90,000 to extend the Route 3 Seniors Manor for an additional three months.

A discussion ensued.

MOTION DEFEATED.

MOVED by Councillor Sloane, seconded by Councillor Blumenthal that staff set up an Eco-Mobility program to fund the Route 3 Manor Bus for a pilot project.

MOTION DEFEATED.

Councillor McCluskey advised that, previously, she asked staff to respond to the idea of charging a fee to park in HRM's Park and Ride lots as a way to increase transit revenue.

MOVED by Councillor McCluskey, seconded by Councillor Sloane that staff provide a report on the idea of charging \$50 per month to park in HRM's Park and Ride lots.

Mr. Ken Reashor, Acting Director, Transportation and Public Works, advised that staff will come back with a report, and unless it is identified that it has an impact on the

budget, it will be a separate issue that Council can address in more detail.

Councillor McCluskey agreed, advising that she could wait for a report.

For clarification, Mayor Kelly advised that this matter will be considered under the service review.

MOTION PUT AND PASSED.

Councillor Smith indicated he was concerned about the budget impact of the new Transit Terminal for Dartmouth and was prepared to have the project delayed by one year.

MOVED by Councillor Smith, seconded by Councillor McCluskey that the new Dartmouth Transit Terminal project be deferred for one year.

Staff responded to questions.

MOTION DEFEATED.

In concluding the debate on Transit, Mayor Kelly reiterated that the transit rates as agreed to in the amended motion are 10.5 cents for the Local Rate and 5.1 cents for the Regional Rate.

Police

Councillor Walker referred to the submitted report from the Board of Police Commissioners and advised that this morning the Police Commission met and adopted the figures as outlined in the budget book.

MOVED by Councillor Uteck, seconded by Deputy Mayor Johns that \$325,000 be removed from the Police Reserve for Vehicles.

Councillor Walker clarified that the budget line item stated in the motion would not be an elimination of police vehicles, as it is a reserve account set up for the lease on the Brunswick Street building and any shortfalls for 'boots on the street' not paid by the Province.

Ms. Cathi O'Toole, Director of Finance, advised that the Reserve Account is not in the Police operating budget, adding that it is a reserve held in HRM's reserve funds.

The Mayor indicated that there seemed to be some confusion in regard to which account was being put forward, and he asked the Police Chief to clarify.

Chief Frank Beazley, Police Services, advised that if the reserve account under discussion was Reserve 205 - Police Vehicles, this account was set up to deal with damaged vehicles and he would not recommend that this reserve account be eliminated. Chief Beazley added that yesterday the account that Councillor Uteck discussed with him was the Provincially Funded Police Officers and Facility Lease. He

explained that this money was set aside for the Brunswick Street building and to cover off the increase costs of the Provincially funded police officers. Chief Beazley indicated that he would also not recommend this budget item be removed.

Ms. O'Toole added that this budget item flows through the Police's operating budget, with the money coming in from the Province and is placed into the Reserve Account, and withdrawals are made from the Reserve.

Mayor Kelly pointed out that this account cannot be adjusted by Council; Council can only provide adjustment on an overall amount.

Deputy Mayor Johns advised that he was prepared to put forward a motion in regard to reducing Reserve Account Q205 by \$282,000.

In this regard, Mr. Dan English, Chief Administrative Officer, clarified that the only amount that will affect this year's budget is the \$30,000 that would be transferred from the Operating Budget and put into that reserve account.

Chief Beazley cautioned Council that if the funding is removed, then the fleet operating budget will have to pay out for replacements of numerous cars involved in accidents throughout the year, as this is the reserve account which would be used to replace these vehicles.

Councillor Johns advised that his intention was not to put the \$30,000 in this year and additionally to remove the \$250,000 that currently existing, and put into this years' budget.

Without a vote taken on the previous motion, the following motion was put:

MOVED by Deputy Mayor Johns, seconded by Councillor Uteck that \$30,000 not be transferred from the Operating Budget to Q205 and that \$250,000 currently existing in Reserve Account Q205 be removed and put in the 2010/2011 Operating Budget.

Mayor Kelly pointed out that the Municipal Solicitor has advised that Council cannot remove monies from this reserve, and that Council would be giving direction to the Board of Police Commissioners to review their budget and recapture that amount somewhere else and where the Board deems appropriate.

In response to a question by Councillor McCluskey regarding the impact of this motion on the budget, Chief Beasley advised that this fund was set up from the sale of vehicle accounts to allow some money to be used to replace vehicles. Chief Beasley also made reference to the \$30,000 figure and pointed out that this was not money, but rather it was a projection of what will be received as old equipment is sold off.

In response to a request by the Mayor to confirm that his motion was to remove \$282,556 (excluding the reserve) from the Police Budget, Deputy Mayor Johns advised that his intent was to reduce the reserve account.

Mayor Kelly indicated that since the Solicitor has clarified that Council can only remove an amount but not a specific budget line item and that the motion is contrary to this, **he would not call for a vote on the motion.**

At 12:07 p.m. Council recessed.

At 1:14 p.m. Council reconvened.

Councillor Nicoll entered the meeting at 1:14 p.m.

- HRM Savings/Efficiencies/Revenue Review Document - Draft Budget 2010/11 was distributed to Council.
- HRM Expense Items document was distributed to Council.

Councillor Streach noted that staff have, with this budget presentation, responded to the requests of Council.

Councillor McCluskey questioned the reduction of \$175,000 to the Halifax Regional Police fleet budget. Ms. O'Toole advised that the reduction is for the 2010/11 year only. She further noted that Council directed a \$14,000,000 cost reduction throughout HRM but did not specify that HRP was exempt. Councillor McCluskey added that only Council can reduce the police budget. Mr. English advised that staff, as well as the Board of Police Commissioners, can make a recommendation to Council.

In response to a question by Councillor Hum, Chief Beazley advised that there is no increased funding available for Citizens on Patrol. He added that operations could be affected if additional monies were put toward programs such as Citizens on Patrol.

Project Budget

This item was discussed during general discussion.

4. GENERAL DISCUSSION

General discussion ensued among Council regarding the proposed 2010/11 Budget.

MOVED by Councillor Watts, seconded by Councillor McCluskey, that the proposed reduction of \$195,000 under the Service Delivery Change - Recreation be reinstated on the general tax rate.

Councillor Watts advised that Community Recreation Programs are fundamental to youth and the community as a whole.

Councillor Sloane suggested that staff consider administrative fees be levied on appeals, such as by-law and variance appeals, issued to HRM.

In response to questions of Council, Mr. Paul Dunphy, Director, Community Development, advised that the proposed \$195,000 budget reduction includes 2.5 vacant positions, two potential positions through attrition and consideration of one administrative position shared between two facilities. He noted that the proposed

vacancies are not programming positions.

Councillor Harvey commented that the HRM Kids program should be fully HRM funded.

MOTION DEFEATED.

MOVED by Councillor Walker, seconded by Councillor Karsten that the weekly green cart pick up be added to the 2010/11 budget with funding coming from the urban and suburban general tax rate.

Staff advised that weekly cart pickup would add \$355,000 to the 2010/11 budget.

Councillor Karsten advised that green cart pickup is a health and wellness issue and its discontinuation would be a step back for HRM.

Councillor Harvey suggested that Council return to the principals of the Solid Waste Strategy when green cart pickup was provided on a biweekly basis.

Councillor Hendsbee expressed concern that if the green cart weekly pickup is discontinued, residents would use their black bags for their compost materials. In response to a question by Councillor Hendsbee, Mr. Gordon Helm, Manager, Solid Waste Resources, advised that weekly green cart pickup is part of the current solid waste contracts, however, there is a contingency written into each contract to enable HRM to adjust the service with no penalty to HRM.

Councillor Dalrymple expressed concern that some residents pay for weekly green cart pickup in their tax rate but do not receive the service. Staff advised that the service boundaries could not be adjusted for the 2010 summer green cart season.

In response to a question by Councillor Hendsbee, staff advised that the weekly green cart pickup would affect the residential and commercial tax rate. The Councillor advised that he does not want commercial taxpayers paying for this residential service.

In response to a question by Councillor Walker, Mr. Fisher, Manager, Fiscal & Tax Policy, advised that the residential tax rate would increase by \$3.60 on the average home for weekly green cart service if the levy was taken off the commercial tax rate.

MOVED by Councillor Hendsbee, seconded by Councillor McCluskey, the motion be amended to consider funding of the weekly green cart pickup on the residential tax rate only, not on the commercial tax rate. MOTION TO AMEND PUT AND DEFEATED.

Councillor Hum stated that the goal is not increasing the tax rate. She added that residents would pay an additional amount for this weekly service. The Councillor stated that HRM has to show fairness and equity with a zero tax increase.

MOTION PUT AND PASSED.

- Councillor Uteck presented a Proposed Budget Cuts 2010 list; the list was distributed to Council.

MOVED by Councillor Uteck, seconded by Councillor Hum to forward the following list to staff for consideration in achieving a zero tax rate increase:

- Elimination of sidewalk snow removal - \$1,500.00
- Elimination of 3 million for snow and ice (have review now) - \$2,000,000
- Elimination of Cogswell Design - \$100,000
- Elimination of the SAP/HR Project - \$300,000
- Reduction of Fire Utility replacement - \$250,000
- Elimination of transportation demand management program - \$100,000
- Reduction of intersection improvement program - \$500,000
- Reduction of roofs - \$300,000
- Reductions of fibre optics network - \$100,000
- Point pleasant park reduction - \$300,000
- Zero increase for intergovernmental relations & review of function in relations to Mayor's Office
- Elimination of one position from Mayor's Office - \$50,000
- Reduction in marketing and promotions - \$300,000
- Elimination of Fire Reserve - Vehicle
- Elimination of hazardous waste depot - \$50,000
- Reduction of District Capital - Councillors - \$745,500
- Flattening of Management Structure - 1 DCAO - \$100,000
- Reduction of Advertising - Councillors - \$34,500
- Review of 12,899,521 HRM wide fund for goods and other services

Councillor Uteck suggested that staff consider the list as presented and report back to Council the first of next week and she added that Regional Council should consider a zero tax rate increase.

Without a motion taken on the above motion, the following motion was placed:

MOVED by Councillor Harvey, seconded by Councillor Uteck, that a zero tax rate increase be considered.

Mr. Fisher stated, in response to a question by Councillor McCluskey, that if the residential tax rate were set at zero there would be a reduction in the commercial tax rate, although, he added that the commercial tax rate increase would not be zero.

MOVED by Councillor Harvey, seconded by Councillor Uteck, that the motion regarding the zero tax rate increase now be put. MOTION PUT AND PASSED.

Ms. O'Toole advised that staff could not provide a report on the list of proposed budget cuts presented by Councillor Uteck by Tuesday, May 25th. She stated that staff would require a week to complete a report.

In response to a question by Councillor Adams, Ms. O'Toole advised that if the 2010/11 Budget is passed with a zero tax increase, the rate increase would be deferred from this

year to next years tax rate.

MOTION DEFEATED.

MOVED by Councillor Uteck, seconded by Councillor Hum to forward the following list to staff for proposed budget cuts for the 2010/11 Budget:

- **Elimination of sidewalk snow removal - \$1,500.00**
- **Elimination of 3 million for snow and ice (have review now) - \$2,000,000**
- **Elimination of Cogswell Design - \$100,000**
- **Elimination of the SAP/HR Project - \$300,000**
- **Reduction of Fire Utility replacement - \$250,000**
- **Elimination of transportation demand management program - \$100,000**
- **Reduction of intersection improvement program - \$500,000**
- **Reduction of roofs - \$300,000**
- **Reductions of fibre optics network - \$100,000**
- **Point pleasant park reduction - \$300,000**
- **Zero increase for intergovernmental relations & review of function in relations to Mayor's Office**
- **Elimination of one position from Mayor's Office - \$50,000**
- **Reduction in marketing and promotions - \$300,000**
- **Elimination of Fire Reserve - Vehicle**
- **Elimination of hazardous waste depot - \$50,000**
- **Reduction of District Capital - Councillors - \$745,500**
- **Flattening of Management Structure - 1 DCAO - \$100,000**
- **Reduction of Advertising - Councillors - \$34,500**
- **Review of \$12,899,521 HRM wide fund for goods and other services**

Council agreed to consider the list of proposed budget cuts presented by Councillor Uteck. Councillor Uteck suggested that the list, and any items presented by Councillors, be tabled for the weekend and Council receive an update by staff the following week.

Mayor Kelly advised that the proposed budget cut lists could be considered at this time or be forwarded to staff for the Fall Review.

Council recessed at 2:50 p.m.

Council reconvened at 3:02 p.m.

MOVED by Councillor Streach, seconded by Councillor Deputy Mayor Johns that:

1. **The proposed budget cuts list presented by Councillor Uteck, and additional lists provided by Councillors, be forwarded to staff for the 2010 Fall budget review and;**
2. **The main motion now be put:
That Halifax Regional Council approve the 2010/2011 Project (Capital), Operating and Reserve Budgets as presented on May 18, 2010, with the**

following amendments:

- **\$2 million additional reduction in Transit**
- **\$1 million reduction in Proposed Reserve Contributions**
- **\$1 million reduction in Capital**
- **\$1 million reduction in proposed increase for Winter Works**
- **that the weekly green park cart up be added to the 2010/11 budget with funding coming from the urban and suburban general tax rate.**

Council requested that each recommendation be voted on separately.

MOVED by Councillor Streach, seconded by Councillor Deputy Mayor Johns, that the proposed budget cuts list, and additional lists provided by Councillors, be forwarded to staff for the 2010 Fall budget review. MOTION DEFEATED.

MOVED by Councillor Streach, seconded by Councillor Deputy Mayor Johns, that

1. **The main motion now be put:
That Halifax Regional Council approve the 2010/2011 Project (Capital), Operating and Reserve Budgets as presented on May 18, 2010, with the following amendments:**

- **\$2 million additional reduction in Transit**
- **\$1 million reduction in Proposed Reserve Contributions**
- **\$1 million reduction in Capital**
- **\$1 million reduction in proposed increase for Winter Works**
- **that the weekly green cart pick up be added to the 2010/11 budget with funding coming from the urban and suburban general tax rate.**

MOTION DEFEATED.

Discussion ensued among Council regarding the merit of voting individually on each item of the proposed budget cut 2010 list.

Council recessed at 3:15 p.m.

Council reconvened at 3:25 p.m.

MOVED by Councillor Streach, seconded by Councillor Karsten, that the budget debate continue until 10:00 p.m. or until completion of the budget debate, whichever is the latter. MOTION PUT AND PASSED.

MOVED by Deputy Mayor Johns, seconded by Councillor Sloane, that the Rules of Order for Committee of the Whole proceedings be suspended to enable recording of votes of all motions of significance. MOTION PUT AND PASSED.

MOVED by Councillor Outhit, seconded by Deputy Mayor Johns, that the Rules of Order for Committee of the Whole proceedings be suspended to issue speaking time limits as per Regional Council proceedings of a five minute limit with a

second three minute time limit. MOTION PUT AND PASSED with two thirds majority.

Council continued discussion of the proposed budget cuts 2010 list.

MOVED by Councillor Walker, seconded by Councillor Wile, that the elimination of sidewalk snow removal be referred to the 2010 fall budget review.

Deputy Mayor Johns assumed the Chair at 3:37 p.m.

Mayor Kelly returned to the meeting and assumed the Chair at 3:45 p.m.

Councillor Mosher advised Council that she had to leave at this time to attend a previously scheduled community meeting. She retired from the meeting at 3:45 p.m.

Staff clarified that the elimination of sidewalk snow removal is to be considered for HRM as a whole.

Deputy Mayor Johns assumed the Chair at 3:50 p.m.

Mayor Kelly returned to the meeting and assumed the Chair at 3:55 p.m.

A recorded vote was taken on the motion.

MOTION PUT AND PASSED. (20 in favour, 1 against)

Those voting in favour were Mayor Kelly, Deputy Mayor Johns and Councillors Adams, Barkhouse, Blumenthal, Dalrymple, Fisher, Hendsbee, Hum, Lund, McCluskey, Nicoll, Outhit, Rankin, Sloane, Streach, Uteck, Walker, Watts, and Wile.

Those voting against was Councillor Smith.

Councillors Karsten, Mosher and Harvey were absent for the vote.

Council agreed, upon clarification by Deputy Mayor Johns, that a recorded vote be taken on a motion when requested by a Councillor.

Councillor Uteck suggested that all proposed budget cut lists be forwarded to staff for the 2010 Fall budget review.

MOVED by Councillor Streach, seconded by Councillor Dalrymple, that the proposed budget cuts 2010 list submitted by Councillor Uteck, with the exclusion of personnel issues, be forwarded to the staff for the 2010 Fall budget review.
MOTION PUT AND PASSED.

Discussion continued among Council on the proposed 2010/11 budget review.

Councillor McCluskey expressed concern regarding the proposed increased cost for

ice rentals in the four HRM arenas.

MOVED BY Councillor McCluskey, seconded by Councillor Streach, that Ice Time Rental Fees not be increased, with required funding provided by the cancellation of the New Street Tree Planting Program.

In response to a question by Councillor Hum, Mr. Dunphy advised that with the potential fee increases to ice rentals at the four HRM owned and operated arenas, the fees are still at the bottom end of the market and are on the lowest scale in comparison to the other twenty-one arenas in HRM. He noted that the fee increases would affect a cross section of groups including youth and adults.

Council recessed at 4:30 p.m.

Council reconvened at 5:34 p.m.

Councillor McCluskey advised that her concern is increased ice time costs for youth.

Councillor Blumenthal suggested that the extra funds from the New Street Tree Planting Program not allocated to the Ice Time Ice Rental be allocated the HRM Youth Fund.

Upon the above suggestions the following amendment to the motion was placed:

MOVED BY Councillor McCluskey, seconded by Councillor Blumenthal the motion be amended to provide that Ice Time Rental Fees for youth not be increased with required funding provided by the cancellation of the New Street Tree Planting Program, and the remainder of the New Street Tree Planting Program funding be allocated to the HRM Kids Program.

In response to a question by Councillor McCluskey, Mr. Dunphy advised that annual ice time rental fees have not been increased in the HRM owned and operated arenas as has been done at other arenas throughout HRM. He added that the HRM arena rates are not keeping pace with the operating costs.

MOTION DEFEATED.

MOVED by Councillor McCluskey, seconded by Councillor Smith, that all out of town travel be removed for the 2010/11 budget year, with the exception of current travel and Mayor Kelly's travel.

Mr. English advised that some travel is necessary and legally required for Fire Services, Police, EMO.

Councillor McCluskey indicated she was willing to amend the motion to exclude legally required travel for Halifax Regional Police, HRM Fire Services and EMO Services.

The Mayor called for the question on the original motion. **MOTION DEFEATED.**

MOVED by Councillor Smith, seconded by Councillor Outhit that \$100,000 be moved out of the Community Partnership Fund and be allocated to recreation, with \$10,000 of the funding allocated to the HRM Youth Fund.

Mr. English advised Council that if funding is taken from the Community Partnership Fund, it would have to be replaced next year. He added if funding is taken from a reserve account it has to be placed in another reserve account.

Councillor Sloane suggested that funds be allocated to public art as well as recreation.

Councillor Walker advised that the Community Partnership Fund is in reserve for a reason adding that without the reserve HRM has no leverage for Provincial and Federal funding on projects.

Councillor Hendsbee suggested that tree programs be put on hiatus for one year.

MOTION DEFEATED.

In response to a question by Councillor McCluskey, Mr. English advised that the Vacancy Management Program is presented as a cost saving measure. He advised Council that HRM has vacancies every year until a position is filled. He stated that the Vacancy Management Program considers all vacancies and determines the operational requirements before filling the position including whether the position can be deferred, not filled, or eliminated.

MOVED by Councillor McCluskey, seconded by Council Nicoll that the following list of items be referred to staff for cost reduction considerations during the 2010 Fall budget review:

- **consideration to selling parking garage**
- **the Library becomes a line department**
- **Greater Halifax Partnership and Destination Halifax become one entity**

MOTION PUT AND PASSED.

MOVED by Councillor Sloane, seconded by Councillor Streach that the following list of items be referred to staff for cost reduction considerations during the 2010 Fall budget review:

- **administrative fees for appeals throughout HRM**
- **ecomobility**
- **Regional Parking Strategy, supplementary budget especially re: transit**

MOTION PUT AND PASSED.

Mr. Blakeney, Coordinator, Facility Development Parks, advised, in response to a question by Councillor Hum, that the proposed trail funding cuts are for one year. He added that the proposed funding cuts do not affect staffing nor will it affect trail maintenance.

Councillor McCluskey expressed concern regarding the commercial tax rate. Mr. Fisher advised that the urban, suburban tax rate will increase by 3%. He added that the loss of the business occupancy tax will be beneficial to most businesses. He noted that the taxes on restaurants will likely increase as restaurants have already received the benefit of the removal of the business occupancy tax.

MOVED by Councillor Barkhouse, seconded by Councillor Sloane that HRM staff review all business units with consideration to merging business units, including information on all savings from this adjustment, for the 2010 Fall budget review. MOTION PUT AND PASSED.

Councillor Sloane suggested that HRM meet with the Restaurant Association to discuss how the commercial tax rate will affect their business.

MOVED by Deputy Mayor Johns, seconded by Councillor Wile, that HRM staff review the decision of Council in reference to the Dartmouth Heritage Museum.

Deputy Mayor Johns advised that the \$ 2.5 million for relocation and the \$ 6 million for renovations to establish the Dartmouth Heritage Museum should be taken into consideration.

Mr. Labrecque, Deputy Chief Administrative Officer, advised Council that the current plan for the Dartmouth Heritage Museum does not impact HRM's accommodations plan.

Deputy Mayor Johns suggested that the King Street Fire Station be considered as a museum site.

Councillor McCluskey expressed concern regarding the potential closure of the King Street Fire Station. Chief Mosher, in response to a question by the Councillor, advised that the response times from Woodside to Highfield have been tested and met the standard.

A few members of Council expressed concern regarding the reconsideration of the use of the building at 90 Akerley Drive in Dartmouth as a commitment has been made to the Dartmouth Heritage Museum by HRM.

Mayor Kelly advised that the use of the Halifax Regional School Board building is not part of the 2010/11 budget discussion.

MOTION DEFEATED.

MOVED by Councillor Walker, seconded by Councillor Streach that the question on the main motion, as amended, now be put.

A recorded vote was taken on the motion.

MOTION PUT AND PASSED. (18 in favour, 4 against)

Those voting in favour were Mayor Kelly, Deputy Mayor Johns and Councillors Adams, Blumenthal, Dalrymple, Fisher, Harvey, Hendsbee, Hum, Karsten, Lund, Outhit, Rankin, Streach, Uteck, Walker, Watts, and Wile.

Those voting against were Councillors McCluskey, Nicoll, Sloane, and Smith.

Councillors Mosher and Barkhouse were absent for the vote.

Councillor Barkhouse joined the meeting at 7:08 p.m.

MOVED by Councillor Walker, seconded by Councillor Streach that Halifax Regional Council approve the 2010/2011 Project (Capital), Operating and Reserve Budgets as presented on May 18, 2010, with the following amendments:

- **\$2 million additional reduction in Transit**
- **\$1 million reduction in Proposed Reserve Contributions**
- **\$1 million reduction in Capital**
- **\$1 million reduction in proposed increase for Winter Works**
- **that the weekly green cart pick up be added to the 2010/11 budget with funding coming from the urban and suburban general tax rate.**

A recorded vote was taken on the motion.

MOTION PUT AND PASSED. (15 in favour, 8 against)

Those voting in favour were Mayor Kelly, Deputy Mayor Johns and Councillors Adams, Dalrymple, Fisher, Harvey, Hendsbee, Hum, Karsten, Lund, Rankin, Streach, Walker, Watts, and Wile.

Those voting against were Councillors Barkhouse, Blumenthal, McCluskey, Nicoll, Outhit, Sloane, Smith and Uteck.

Councillor Mosher was absent for the vote.

5. SERVICE REVIEW PRIORITIES 2010 / 2011

This item was addressed during budget discussion.

6. ADJOURNMENT

The meeting was adjourned at 7:10 p.m.

Cathy Mellett
Acting Municipal Clerk