On the Campaign Trail

From: Herb Pond hpond@princerupert.ca

Please feel free to forward this to friends, e-mail me back with your comments and above all else... Vote on Saturday!!!!

T-minus 56 Hours and Counting

OK. So we are down to what the rowing world knows as the short strokes. What kind of Council will we wake up to on Sunday morning? Who will lead us through these next critical months and years?

It may sound trite, but I trust the voters to make the right decision in municipal elections, if they get out and vote.

This is my plug for continuity on Council, because that's the best shot we have of really getting the economy fired up quickly, and a vibrant economy is the only sure way I know to grow health, education and City services. Regardless of what people say, it takes a new Councillor about 12-18 months to truly get up to speed. A new Mayor even longer, and a new Mayor without experience on Prince Rupert Council and only working part-time, will be hood-winked by everybody for at least two years.

Like it or not, this Council and Mayor are well known to all the key people on every project (China Paper, Maher Terminals, CN, RoyOp, etc) currently underway. We're trusted, and many of these investors are here because of that trust and the invitations that we personally extended.

One or two new Councillors would be welcomed and brought up to speed by the group. Fresh ideas, energy and perspective are healthy. But with three or four new faces, the lack of depth will dominate and slow everything right down. I've seen it happen. It would be tragic to slow down now.

A Rather Lengthy Rant

Here are some of the issues I hear about. I don't expect that anyone will read all of this, but perhaps a section or two may twig some interest.

I've fielded a lot of questions over the last few days on a number of different topics, mostly from supporters who are upset about something that we've done. But that's the point isn't it? We got things done:

- Trimmed over \$3 million from spending
- Negotiated a custom fit golf course agreement with CUPE and put the Golf Course in the hands of golfers. More employment, better golf, less cost to taxpayers.
- Lowered taxes across the board for industry and small business.
- Saved CityTel from certain extinction and launched the City West Group of Companies; 100% owned by the people of Prince Rupert but growing across the entire

northwest and possibly beyond with divisions in cable TV, fiber optics, voice, data, internet and mobility. That's more jobs in Prince Rupert, better service, lower prices, and eventually much higher dividends to taxpayers.

- Kept China Paper from stripping the machines from the pulp mill (at least for now) and quite likely persuaded them to operate the pulp mill here for the long run.
- Sold the campground.
- Built the cruise ship dock.
- Completed the Uplands infrastructure. Construction of new buildings likely in late Spring 06.
- Improved airport ferry access. Moved bus terminal to downtown and built fare into airline ticket.
- Persuaded McMillan Fish to rebuild Rupert plant after fire.
- Attracted, landed and sited a Big Box development.

And ... there's more to come.

In every instance we did it by working cooperatively with our <u>Unions and employees (they've been great!!)</u> with full respect for Collective Agreements and the collective bargaining process. I think that they would all acknowledge that we have been tough, fair and honourable.

Objections

Now I'll guarantee that if you just read that list you'll find something to react to. But almost without exception, when people get the right info, they come to the same conclusions we did. Unfortunately, elections aren't always about the truth.

Big Box or Boutique?

What a silly question. Why not Big Box <u>and</u> boutique? A vibrant Downtown, Cow Bay <u>and</u> Big Box. Boutique is great for gift-giving and tourism, but <u>back-to-school-families need savings and selection and are currently driving out of town to find it. And when there, they are buying all kinds of other things including travel and new vehicles. Where do you think the QCI or Lax KwaLaams folks head when they get off the ferry? And who gets the spin-offs? Terrace of course. And no, Canadian Tire or Walmart cannot be persuaded to squeeze into our downtown core anymore than you'll choose shoes that are three sizes too small. There are simply too many other places they can put there money.</u>

Tax Deals for big business?

It's so easy for people to take pot shots now but this Council's boldness has secured both the container port and the pulp mill. Long before the Feds and the Province made their commitments, and long before the rest of the world was beating a path to our door, the Port Corp landed Maher Terminals - a

coup beyond everyone's wildest dreams. But when Maher cranked the numbers, local taxes during startup killed the project. Why? Because BC municipalities must use a tax system based on property value which is highest when everything is shiny and new and business is at its slowest. So we stepped outside the box and tried what no other municipality has ever done - a partnership agreement. Instead of paying tax on property, Maher will give us a fee per container. The better they do, the better we do. In the end we are likely to receive more revenue than in a traditional plan, but they get a cushion if things are slow in the beginning.

The same is true of the pulp mill. Back when China Paper had purchased the pulp machines to disassemble them and take them to China, we stepped forward with a different idea. Our MLA was a huge help. We invited them up, wined and dined them, took them to Chinese New Years celebrations here in Rupert. Slowly they became convinced that operating made more sense. A major stumbling point however was BC 's system of municipal property tax. Again, we stepped outside the box to a partnering agreement that is completely dependent on long-term continuous operation.

Is it fair that some others have faithfully paid property taxes through thick and thin, and then newcomers get a whole new deal? No. Do I like it? Not really. But Council had to answer a tougher question - what's more important, being fair or rebuilding the economy?

How many more do we plan to do? None. These were two critical projects to jump-starting our economy.

City Tel/ City West

Again, this amazes me. People should be dancing in the streets, not throwing stones. **Instead of owning** a sleepy little telephone company that was about to be overrun by competitors, we all are now 100% owners of an aggressively growing company with interests in cable, internet, fiber optics, mobility and voice that spans the northwest from Prince Rupert to Burns Lake.

Think about it. People watching the all-candidates debate or the Rotary auction this year were for the first time watching a television channel that they own lock, stock and barrel. It's a huge win that <u>caught all</u> the big boys off guard. It is without doubt the most significant achievement of any Council in the last decade or more.

In order to pull it off we had to negotiate it all confidentially, including creating the company, a start-up

Board (to be expanded at the first AGM) and the borrowing structure. However, final approval was dependent on the results of a very public process.

Too much business behind closed doors?

This one just kills me. People who can't fault the decisions now fault the process.

The fact is that it is illegal to hold secret meetings, so we don't. Confidential meetings can only be held for certain matters as required under the act, public notice must be given and minutes must be kept.

I figure roughly that this Council has held:

- 135 open houses,

- 92 regular meetings with cameras on,
- 32 open question periods,
- 8 public forums,
- 10 public hearings.

We've published 21 newsletters (delivered to every single household) placed more than 60 ads in newspapers, held 9 voter assents (counter-petitions) and 1 full-blown referendum.

Whether it's City West or the pulp mill partnership agreement or any borrowing, I can show you newspaper ads, minutes of public meetings, media coverage, the counter-petition forms which gathered a grand total of 51 signatures against (and that's with 2 weeks for each one.)

You don't pull off a multimillion dollar deal like the Monarch purchase without holding appropriately confidential talks. But every deal was signed with a clause that says it must then be subjected to a thorough public process.

I think that people are just shocked because unlike some other Councils, we got things done, and never stopped working even during the summer while every normal human being was playing with their family.

No more secrets?

This is jail bait. The City and therefore Council is the keeper of all kinds of private information (employee records, contract negotiations, land sale/purchase plans) which, if released would result in lawsuits, fines and even jail time. Councillors swear an oath and can be personally sued for releasing information that damages the City. We need Councillors who can keep confidential information confidential.

Kennedy Report?

I've never heard so much hogwash as I have from certain people who know better. This report was released months ago, not last week as claimed by at least one candidate. It's on our web site for crying out loud.

It's a report that the Province and the City commissioned together to help the Province assess our need for transition funding. It outlined the many initiatives that Council and staff were already undertaking to reduce expense and raise revenues - most of which are now complete. In essence the report said that Council had already done a great job, we needed to finish the things we started but no matter what we do, without some provincial assistance we're in trouble. We've been bugging the Province ever since.

Time for a change?

Change to what? The days where Council controlled which businesses come to town? When Canadian Tire, A&W and Copperside Foods were all chased away? When a myriad of powerful groups (from labour through to business) controlled Council which drove costs and then taxes through the roof, and competition out of town.

Fish Farms

A real red herring. **Firstly, fish farming is currently a dead issue on the northcoast.** The industry is retreating mostly due to the incredible delays in the federal process and the mountains of red tape. Regrettably that has led to **the loss of jobs and taxes for our neighbours in Port Edward** and further reduced spending in Prince Rupert businesses.

But secondly, and more importantly, it's completely outside of Council's jurisdiction and influence. DFO marches very much to its own drum. And with a very strong "anti" voice from both our MLA and MP, the "no" side hardly needs a soap box at Council in order to be heard.

If fish farming is ever to proceed on the northcoast, the industry will have to first convince the communities that they will be following the highest standards in the world and not threatening wild stocks, or the many jobs that depend on the wild stocks. That's their battle, not ours.

Ok, the rant is over. As you can see it's been pent up for awhile. If you read this far you have too much spare time on your hands.

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Thanks, HP