

The Klondike Sun

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Dawson City, Yukon



**MERRY
CHRISTMAS
&
HAPPY NEW
YEAR**

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Dawson Budget hobbled by Debt Servicing

By Dan Davidson

Dawson City is looking at a slightly increased overall operational budget for the year 2006. The provisional budget tabled at the meeting of the Trustee's Advisory Committee on December 7 showed an increase of just under \$100,000 in the O&M budget, with a bottom line of \$4,417,382.

Cash flow is a problem when the fourth largest item on your budget is \$512,600 worth of debt servicing payments. Although the Dawson Municipal Governance Restoration Act actually requires the territorial government to take some action on reducing or rescheduling Dawson's debt load, nothing has been done so far, and the minister in charge, Glenn Hart, has remained coy when quizzed about this in the legislature.

Meanwhile, those pesky debt servicing charges actually went up by \$27,600 over last year. That was not an increase in payments to YTG, but a consolidation of that \$485,000 with other payments related to the town's cable/internet project.

So far the only extra money the town has seen was a \$1.6 million dollar advance a year ago to cover a cash flow shortage, and half of that went to pay legal bills related to the arbitration hearing of 2003. This year, after further cuts to the town's finances, cuts which Hayes says cannot be sustained indefinitely, there was no need for that kind of cavalry rescue.

Nor has there been any increase in the amount of the grant coming to the town from YTG, which is projected to remain at \$1,150,000. User fees for water and sewer utilities are projected to increase slightly, though how much will not be known until new utility schedules are produced early in 2006.

At first glance it appears that government services/legislative costs have increased, but this is mostly the result of moving the salaries paid to protective services employees into that category, which now sits at \$1,087,300.

Costs related to all waste and water related services are on the increase. Water related costs have jumped from \$317,800 to \$498,500, while sewer costs have more than doubled to \$260,200.

Trustee Ray Hayes has once again provided himself some wiggle room on cash flow by introducing a Revenue Anticipation Bylaw which will allow the town to take out a line of credit with the banks based on the anticipated tax revenue of over \$1.6 million which will come in when the tax bills fall due later in the spring. This will have to be approved by the government, since Dawson has already reached its maximum borrowing level.

Hayes has prepared this bylaw in advance, he said, because he really has no idea what, if anything, YTG is prepared to do about Dawson's debt.

Klondike MLA Peter Jenkins, in a rare appearance in council chambers, pointed to the debt servicing as the major weakness in the provisional budget, but added his opinion

that there was "no appetite", in his words, in the government to do anything for Dawson at this time.

Jenkins suggested producing budget documents with and without debt servicing included just to show how much damage the charges were doing to the town.

Minister Hart's debt relief options, as listed in the Dawson Municipal Governance Restoration Act, include "(a) the consolidation of the whole of Dawson's debt; (b) the issue of a new debenture to cover any such consolidation; (c) the retirement and cancellation of the whole or any portion of the existing debenture debt, the outstanding debentures, and the existing debt to the Canadian Imperial Bank of Commerce, on the issue of a new debenture to cover them or in exchange for them; (d) the terms, conditions, places, and times for exchange of a new debenture for outstanding debentures; and (e) the reduction in the rate of interest on the new debenture."

Sources indicate that there is some question as to whether this much ballyhooed act, which is the cornerstone of the Yukon Party's five year plan for Dawson's future, was ever actually proclaimed, even though it was debated and passed during last spring's legislative sitting.

So far none of the options it lists have been followed and Hart, under examination by both opposition parties this week, has fallen back on saying that he needs to see the results of the most recent audit of Dawson's books before he can make any decisions about money. That seems odd, since the audit for the year 2005 was completed and filed back in early October. The town did not fail that audit, although MacKay LLP Chartered Accountants did state that they had found deficiencies in the records for that year.

If Hart is talking about an audit for the year 2006, the next annual audit, that process has yet to begin and is unlikely to be complete before the end of February 2006 if all things flow smoothly.

Dawsonites Discuss Election Options

By Dan Davidson

Dawson's government appointed Trustee, Ray Hayes, is looking for new members for his advisory committee. Planned absences by committee members over the next several months will take the active membership down to two people. Hayes likes to function with five, in order to mimic as much as possible the dynamics of an actual elected council.

Dawson's last elected council was removed from office in April 2004 when the town was declared bankrupt by the territorial government. An advisory committee was appointed a few months later.

Possible changes in the committee at this time, combined with the government's announcement in October that there would not be elections in Dawson in the foreseeable future, have caused some citizens to express a wish to see how close to the real thing the town can get.

Financial planner John Wierda suggested having elected advisory committee members at a meeting in November, and the December meeting of the committee produced a number



Kevin Hower, Helmut Schoener, Ray Hayes, Corrine Gaudet and Bill Bowie met together for what was probably the last time on December 6. Next year Hower will be travelling in the east on leave from his job and Schoener will be vacationing in Cuba, Ray Hayes is looking for new members to build the committee back up to five.

of other suggestions.

Current committee member Bill Bowie expressed his anger with the delays that have stretched what was planned as a six month trusteeship out to eighteen months and counting and suggested that it was time to assemble a locally constituted municipal forum to discuss options.

Fellow committee member Helmut Schoener also championed the idea of holding some sort of local election for new members of the committee.

Bowie requested that Ray Hayes take this request to the Minister of Community Services, Glenn Hart.

Not long after that meeting, the City of Dawson.com forum began to get very active with suggestions of mock elections and public meetings to discuss Dawson's future.

The town's citizens cannot hold an actual election under the terms of the Municipal Act, but a kind of shadow town council could gain some degree of legitimacy if the voter turnout were high enough.

Forum webmaster John Steins has issued a call on the forum for interested people to become involved in an organizing committee.

Former financial supervisor André Carrel has entered the discussion via the forum. While he has cautioned forum members against getting actual elections for Dawson until such time as the government has settled Dawson's debt problems, he endorses the citizens' forum / citizens' council idea and has presented a number of ideas as to how it might be pursued.

Meantime, Steins is busy organizing what he has called The Citizens of Dawson Action Group, and is planning to issue a formal statement of intent early in 2006.

Uffish Thoughts: MLA Now Blames YTG for Dawson's Financial Fiasco

by Dan Davidson

Peter Jenkins abrupt conversion to the idea that Dawson's financial mess is partly the fault of the government of the Yukon is not as astounding as it might seem. (See page 26 for his recent statements)

Our MLA used exactly this line of attack when he was last in opposition and facing the Liberal government four years ago. The only thing odd about it now is that he is aiming his attack at his former colleagues in the Yukon Party.

"Will the minister acknowledge the Government of Yukon's overwhelming role in creating Dawson's financial mess?"

This was Jenkins' question to Glenn Hart on December 13. It's based on an analysis of the situation here, which was recently summed up by the town's former financial supervisor, André Carrel, in posts on the CityofDawson.com forum.

Carrel stated that the misspending by senior town officials identified in the Forensic Audit was irrelevant to the larger issue of the town's finances and went on to blame the YTG or its bureaucrats for the lion's share of what drove the town into bankruptcy.

The town, he wrote, was responsible for letting its firehall/city hall relocation project go over budget, but all the spending related to the Capital Funding Agreement (CFA), including the grants and the loans which make up the bulk of Dawson's debt, happened under the supervision of the territorial government.

YTG authorized the borrowing in excess of the restrictions in the Municipal Act, and was well aware, through its presence on the project management teams, and through its financial oversight, just how serious the Dawson situation was getting.

Carrel says YTG ignored the conditions of the CFA, and that it has since ignored its responsibility for getting the town back on a firm financial footing.

I'm not sure why Mr. Carrel is so interested in Dawson City that he has chosen to participate with and offer advice to people who use the web forum to debate Dawson issues, but it has been interesting to read his affirmation of many of the conclusions that I drew from his reports, and have been citing here on and off since April 2004.

As I reported here recently, Dawson is currently paying nearly \$480,000 of its approximately \$4.4 million budget in debt servicing to YTG. As Carrel noted in his report, no town can survive that level of drain on its annual resources, That's why there are borrowing limits set in the Municipal Act.

None of the options for financial restructuring included in the Dawson Municipal Governance Restoration Act (passed last April but not yet proclaimed) have anything to do with reducing the debt. They are all about restructuring.

Carrel has written that this is foolhardy.

"It does not matter how far into the future the repayment of the principle is stretched, and it does not matter if the rate

of interest is zero percent. If Dawson's debt exceeds 1.5 percent of taxable assessment, the municipality will not be able to maintain service levels and infrastructure (water, sewer, roads, fire service, etc.)"

Peter Jenkins took the same line in the legislature: "... the minister will have to step up to the plate. There's the issue of eliminating the debt. Even if the principal repayments were extended into the future at a zero rate of interest, it would be impossible for Dawson to become a viable community.

"Will the minister commit to making amends for YTG's tremendous oversights regarding Dawson City's financial mess and provide the necessary capital to ensure the community becomes a viable and going concern once again?"

The government's apparent response to this kind of questioning from Jenkins, the Liberal leader Arthur Mitchell and NDP critic Steve Cardiff, has been to pass an order in council giving themselves an additional ten and a half months to deal with the problem.

Partly as a reaction to this, a core group of some half dozen people calling itself a citizen's action group has begun the process of setting up mock elections to raise the profile of the issues.

Their press release, dated December 14, states that they want to "focus attention on the fact that Dawson and its citizens are being unfairly punished for a crime they did not commit. The Territorial Government needs to take responsibility for Dawson's financial debacle and restore democracy to Dawson along with a fair and reasonable financial plan for the town."

One of the organizers is John Steins, the webmaster of the CityofDawson.com forum. Steins says that the group doesn't plan to carry out its plans until January, as they have no interest in trying to compete with Christmas and the federal election. Several people have already declared an interest in running for either "mayor" or "councillor". It will be interesting to see how this plays out.

Dawson Students Present a New View of Neverland

By Dan Davidson

Do you believe in magic? That's the question asked in "Wendy and Peter", a retelling of the story of Peter Pan which had a two show run at the Robert Service School on December 9 and 10.

Written by two RSS high school students, Mary Bell Fraughton and Alix Causer-McBurney, this production puts a new spin on the well known tale by J.M. Barrie.

The chief difference an audience might notice is the total absence of Tinkerbell, but the authors came up with a novel method of getting fairy dust into the story without her, and that was the essential point.

The Darling family is not so darling as the story opens. Bookish young Wendy is at odds with her authoritarian mother and self-absorbed mother, and is about to be shipped off to a private school in order to raise her math marks. All



Alix Causer- McBurney, Mary Bell Fraughton and Miriam Moore

she really wants to do is write.

Young Michael is seeing a counsellor because he refuses to talk to his father, but it's really just that he's too angry with him.

John isn't happy either, but it seems to be mostly due to the tension.

Luckily Peter Pan happens upon the unhappy Darling children and spirits them off to Neverland, where they have most of the usual adventures and finally realize that they really need to go home.

Mary Fraughton did a fine job as Wendy, even if casting herself as a writer is a bit autobiographical.

Co-author Alix Causer-McBurney had dual roles, first as the hair obsessed Mother Darling and later as pirate first mate Smee, who just wants to shoot somebody.

Pascal Causer-McBurney was an appropriately immature and unable to look beyond his own needs for very long.

Charles Brunner played the frustrated father and the feckless Captain Hook with a comic-bookish exaggeration that fit both parts.

Miriam Moore and Ruby Baptiste were rambunctious as Wendy's brothers.

That's not all, There was a cast of about two dozen in total, including the Indian Band and the Pirates.

All of this was assembled for presentation in just a couple of months, under the direction of moms Joanne Bell and Sharon Moore, with some help from Betty Davidson.

For Mary and Alix, though, the magic was in seeing their script come to life.

"If anyone out there is an artist or writer," Mary said, "you'll know how hard it is to show something that you written or made to another person - so try to imagine what it's like to actually perform something that you've written.

"My friend Alix and I wrote this play last year and we're actually having trouble believing that it's gotten this far."

Alix gave thanks to all the students and adults who



helped to make the production a success.

"All of you are wonderful people and we'll owe you forever."

Dawson Ambulance Service Seeks Volunteers

By Dan Davidson

The Dawson Ambulance Service is down to about four active volunteers at this time, from a high of more than a dozen a year ago. The number is so small that the group can only use its second best ambulance. The four by four van they would like to be using requires at least three people to operate properly without the risk of injuring volunteers, so Emergency Medical Services Rural Coordinator Barry Kidd has restricted its use.

Local supervisor Aedes Scheer says she has been carrying her ambulance radio nearly full time since March due to lack of other volunteers. That's about 5500 hours of carrying the clunky handsets used by the ambulance crew, of which she had actually been paid for 281 hours as of this December 3 interview.

Scheer is mounting a campaign to recruit more people, and she hoping that employers of anyone qualified to staff the ambulances will be understanding about letting people take on that duty.

In an ad in the local paper she lists the qualifications that would be useful for the position: First Responder, Emergency Medical Responder, Emergency Medical Attendant, Emergency Medical Technician (A, B, or P), Primary Care Paramedic, Occupational First Aid III, Industrial First Aid, Advanced First Aid, Advanced Wilderness First Aid, Lifeguard training, Current Standard First Aid + CPR "C" or even a Class 4 driver's licence.

This is an unusual situation for Dawson, where the ambulance crew has been first rate and well staffed for about a decade.

'We'd have nurses come into the community and say, 'Oh, I've been looking so forward to coming to Dawson, because I've heard what a great ambulance service you have.' In other places it's routine to have to take a nurse with you on a call. We haven't had to do that for some time.

"Last Friday morning I put out a call and there was no response, No one could come. I had to take a nurse on call."

Scheer says some of the decline in numbers is just normal migration patterns, some is burnout, some is because several volunteers liked the work so much that they have moved in order to get further medical training.

Some of it, however, she blames on the general malaise that she says has infected the community since the town council was removed in April 2004.



"We don't have that clear leadership in the community to bring issues forward and set direction. Without a direction for the community then people start looking for that direction elsewhere. They move away."

More volunteers will be half the problem, as many of them will be people with regular jobs.

"We'll need some cooperation from employers to allow some flexibility for employees to leave the workplace if a call comes in. Most employers are really excellent with that and don't have a complaint, but there are a few that will probably need a little bit of arm twisting.

"You would think that if you or your loved ones needed an ambulance you'd want your employee to be able to leave their workplace."

Interested persons should contact Aedes Scheer at 993 6496 or at aedes@yknet.

Dawson's 4X4 Ambulance Is Grounded

By Dan Davidson

It's official. Dawson's controversial 4x4 ambulance is officially out of service.

It's not that the volunteers in the Dawson Ambulance Service don't like having a four wheel drive vehicle at their disposal. No, it's that this model is so high off the ground that it takes three people to lift a stretcher into the rear entrance without hurting themselves.

And lately, the Dawson ambulance crew has been down to, at most, two members per call out. Sometimes it's just one member and the addition of a nurse from the Nursing Station.

Volunteer supervisor Aedes Scheer raised this issue at the

territorial government's roving cabinet meeting back in October, and hoped to meet with then minister of health Peter Jenkins, to discuss ways of encouraging recruitment or perhaps modifying the vehicle but, like a good many of the Dawson organization's previously healthy roster of volunteers, Jenkins moved on, and nothing got done.

About a month after the cabinet meeting Rural EMS Coordinator Training Officer Barry Kidd, who used to be a volunteer in Dawson, issued a directive to the effect that the 4x4 was not to be used on calls where less than three people were available.

Kidd has directed the staff here to use the remaining ambulance van for all calls where less than three persons are available to staff the vehicle.

Scheer says the number of ambulance volunteers has fallen from a high of 15 to 20 people down to 4 in the last year. Four have been inspired by the work and have gone south to seek further medical training. Others have simply moved as jobs or relationships came to an end. Some quit when the training program for volunteers was changed and new uniform standards reduced the level of qualification they had worked hard to attain.

Scheer says she can agree with the need for a uniform territorial standard, but the change did help to make the ambulance situation here, which had been very strong, quite precarious.

'MOCK' ELECTION PLANNED FOR DAWSON, YUKON

-Citizens want the return of democracy in their town-

A citizen's action group in Dawson, Yukon has decided to take back what is rightfully theirs and are planning a municipal election without the blessing of authorities but rather with the blessing of the only thing that matters, the voter.

Dawson residents have been without a municipal government for almost 2 years with no sign that the Yukon Territorial Government (YTG) will return democracy to the embattled northern community any time soon.

Dawson's mayor and council were replaced by a trustee in April 2004 by YTG because of Dawson's untenable financial situation. The Citizens of Dawson Action Group believes that the root cause of the town's financial woes was the result of incompetence and negligence on the part of some YTG bureaucrats and the various flavours of Territorial Government over the last 12 years. The checks and balances designed by the Territorial Government itself to prevent overspending and financial mismanagement by a municipality were ignored by the Territorial Government's own officials. Consequently Dawson's debt was allowed to increase and the interest to accrue to an unconscionable level, significantly beyond the limits of YTG's own legislation (Yukon Municipal Act).

Our grassroots election will focus attention on the fact that Dawson and its citizens are being unfairly punished for a crime they did not commit. The Territorial Government needs to take responsibility for Dawson's financial debacle

and restore democracy to Dawson along with a fair and reasonable financial plan for the town.

Aren't democratic rights about people, rather than financial statements?

-*** For more information visit <http://cityofdawson.com> or call 867-993-5580 ***

Ice Bridge in for the Season

By Dan Davidson

West Dawson residents can drive home again. The ice bridge is in for the season.

Locals report that the Fellers family blazed a rough, vehicle worthy trail on December 5, and that YTG Highways judged it safe and posted a sign the next day.



Highways equipment was out on the river over the next several days, widening the original trail and getting out some of the bumps.

This year's bridge was finally able to go in the usual place, joining the ferry landings. When the river first froze there was a large open lead on the west side. Initial crossings on foot and by snow machine were south of this location, beginning just a few days after the river stopped moving in early November, but a combination of low temperatures and snow closed the gap during the rest of the month.

AYC Supports Dawson Debt Relief

By Dan Davidson

The Association of Yukon Communities has weighed in on the side of those seeking early closure in the matter of Dawson City's debt load. In a letter addressed to the Minister of Community Services, Glenn Hart, AYC president Doug Graham has clearly stated the AYC's position as formulated at its December meeting.

It appears that the resolution passed at that time was triggered by recent news that elections to replace Dawson's deposed council might be delayed as late as October 19, 2006.

"The Board expressed a unanimous desire to see an elected municipal government restored in Dawson City," Graham wrote.

"The representatives of the municipalities present agreed that this could include a reasonable payout by the Yukon

government of Dawson City's current capital debt that would allow Dawson City a reasonable debt load. Regardless of the costs to the common treasury it is time to move on to a situation that will permit an elected municipal government to function in Dawson City."

Seven of the eight Yukon municipalities were represented at that meeting.

When quizzed about Dawson's debt and YTG's plans, either in the legislature or at the October 17 cabinet meeting here in Dawson, the premier and other government spokespersons have been quick to say that one of the impediments to creating a debt reduction plan was opposition to such a move from other Yukon communities.

With this letter, AYC knocks the props out from under that argument and joins the rising chorus urging the government to move on this file. That choir now includes such diverse representatives as the recently organized Dawson citizens' action group, former deputy premier Peter Jenkins (Independent MLA for Klondike) and former Dawson financial supervisor André Carrel, as well as Dawson's government appointed trustee, Ray Hayes, and the members of his advisory council.

Earlier this week the community action group announced that it would be holding a shadow election in the new year to help create some sort of legitimate voice for the community to discuss its issues. The group has taken the advice of André Carrel that any actual announcement of elections by the government that did not include a debt relief plan should be resisted.

In his postings on the CityofDawson.com forum Carrel has been intensely critical of the Dawson Municipal Governance Restoration Act, which contains no provision for actually reducing the debt.

"This act," Carrel wrote, "should be called the 'Dawson City Financial Problems Liability and Responsibility Avoidance for YTG Act' if truth in advertising were to apply."

Dawson's debt is identified by the town office and its auditors as being just over \$5 million. The bulk of that is money owed to YTG for debentures covering the recreation and secondary sewage projects, as well as some remaining debt from sewer and water projects that date to before 1995. The additional amount is from a CIBC loan taken out to cover the cost of cabling the town for television and internet service.

Debt servicing on the total will amount to an estimated \$512,600 in 2006. This is from a total O & M budget of \$4,417,282.

Carrel's analysis, dating back to his April 2004 report, is that no municipality in the Yukon could survive having to use that percentage of its budget for debt servicing. Anything above 1.5% of taxable assessment is insupportable. Then and now, he advocates debt reduction to about \$1.5 million, not a total wiping of the debt, but a reduction to where the town could handle it and still function.

The government has had that recommendation in hand for nearly 18 months.

In response to the action committee's press release of December 14, Whitehorse Mayor and AYC Second Vice president Ernie Bourassa wrote to John Steins, one of the group's organizers.

"You may be interested to know that at that recent AYC board meeting held here in Whitehorse that the board unanimously endorsed the idea of YTG forgiving and or assuming the majority if not all of the debt currently owed by the City of Dawson. No Yukon community opposed this endorsement, in fact all communities voiced their strong support. Dawson City must be allowed to get back on its feet and the only way to do that is to forgive or assume the debt by YTG and simply move on."

Liberals Raise Dawson Issues

From Hansard

The Trustee's Contract

Mr. Mitchell: Again, moving to some other areas that are not specific to my area — Dawson City and the elected council. I did hear some of the minister's answers regarding this earlier. I understand that there is new contract or a contract extension for the trustee. The minister also made reference to delays in getting all the information on the forensic audit. I think there was also some mention today about the fact that there is a criminal investigation that may be ongoing. Can the minister give us any new projection as to when we might see elections held? Is it the minister's position that all these other processes, including the possibility of any criminal investigation, must be completed before there can be elections in Dawson? Are those processes dependent on that?

Hon. Mr. Hart: With regard to Dawson City and re-electing its council, we are going to be looking at several issues. The key one, of course, is financial. That is the basis. We will be looking at all issues that are financially related so that we can provide a full breakdown of what's required to assist the new council in moving forth into the future. We will look at those issues and try to determine, as much as we can, just exactly what is required for them to move forward.

As far as the RCMP investigation goes — that is ongoing. That is within their purview. I cannot kick it up, I can't kick-start it, I can't push it and I can't stop it, but I'm not going to let that hold us back. As I stated, we will be moving forward on all issues and trying to keep things that are related to financial matters and that will have both a short-term and long-term effect on Dawson City.

Mr. Mitchell: I am happy to hear that we won't have to wait for the RCMP to do whatever they may or may not be doing in order to restore an elected government to Dawson City. Although there are still a lot of financial questions that are not answered regarding what did occur, it would not appear that it is a complete unknown as to some of the financial needs that do exist. I am wondering if the minister would like to acknowledge or discuss the fact that, inevitably, this government is going to have to come in and remove some of the burden from the City of Dawson,

because it's not something — no matter how long you stretch it out — that the residents of Dawson are going to be able to assume on their own.

Hon. Mr. Hart: On this particular issue, I believe that we have to look at all the factors with regard to Dawson City as they relate to the finances, as I stated previously.

The longer it goes, the more it is becoming prevalent just exactly what is happening in Dawson City. I think it's only incumbent upon this government to ensure that, on behalf of all Yukoners, we understand what we are dealing with. Because as the member opposite indicated, some system is going to have to be provided to Dawson City in order for them to operate. But what that is, what level that is and how that is going to be is still in the process right now. Right now the trustee is working on a five-year plan for the city, and we are waiting for a financial statement. There are a couple of other legal aspects that are being looked at. The results of those will indicate just exactly what steps will be taken.

But we want to make sure that when the new council is elected for Dawson City, they have something to look after when they come into office and they are not strapped to the point where they can't move. We have to allow them to operate as a municipality. Right now we don't know exactly what that's going to entail. We do understand, though, that in all likelihood we will have to look at the restructuring of debt. We've already said we would in that particular aspect. But we may have to look at the interim aspect of what's required to help them get by on their cash flow basis.

Mr. Mitchell: On a related matter, I guess you'd call it, can the minister give us any updates regarding progress on the sewage system for Dawson City? And, of course, this has been part and parcel of some of the problems that Dawson has experienced over the years. Looking back, in the spring, there was discussion of various options that were being tried, and I'm wondering if the minister can tell us if they have some projections of what it will actually cost to put in a system that will be acceptable to Canada.

Hon. Mr. Hart: I'll provide a response that will, hopefully, address most of the issues with regard to Dawson sewage. At the request of Dawson City, the Yukon government has agreed to assume the management role for the Dawson sewage treatment project. We are determined to find an environmentally acceptable treatment process, in accordance with the requirements of Dawson City's water licence, that is suitable to Dawson's size and location, cost effective to construct, and affordable for Dawson residents to operate and maintain.

The Yukon government is preparing a submission to fund an aerated lagoon sewage treatment facility under the Canadian strategic infrastructure fund. If the Canadian strategic infrastructure fund application is successful, Canada and the Yukon will contribute 50 percent of the funding toward the project. Pilot testing on the aerated lagoon has been completed on the effectiveness of the treatment process with respect to the quality of sewage generated in Dawson. Test results from this pilot are being compiled and an evaluation will be coming forth shortly.

Alternative treatment processes in Alaska, northern British Columbia and Alberta have been investigated as to their applicability to Dawson City's situation. Land acquisition procedures are proceeding, and the Land Application Review Committee approved the Yukon government's request for reserves on two potential sites.

Public information meetings have been held in Dawson City. A project update has been provided to the Yukon Territorial Court Judge, at which time the items were presented to him. They were deemed successful and he was satisfied with the progress we have made to date.

NDP Raises Dawson Issues

From Hansard

Secondary Sewage

Mr. Cardiff: While we are discussing water and sewage, can the minister update us on the status of the Dawson City sewage treatment plan? I know the Member for Klondike asked a question in the House yesterday about this. His concern was that the outfall — I believe it was the outfall but it may be the actual structure itself — the sewage treatment plant and lagoon system. There are very few options in Dawson City for locating a secondary sewage lagoon system. All of them seem to conflict with where Dawson gets its water supply. I'm just wondering where we are at on the Dawson City sewage treatment facility and if there are any other options that the government has looked at.

Hon. Mr. Hart: With regard to Dawson's sewage, a public meeting was held the other night in Dawson City, and in general it went very well. We have submitted our reports to the judge. He is pleased with the progress to date with regard to the sewage in Dawson City.

The Member for Klondike had a question in regard to the lagoon system being located upstream of the water source. The outflow is going to be in the same place it is now. There is no change. I will ensure the member opposite that the lagoons will be lined with the appropriate process — the same as we used in Carcross, for example. Lining and protection will be in place to mitigate the issues that the member opposite was worried about.

We are in the process of dealing with this particular situation. We are following our process. We are working with Environment Canada very closely. In fact, they are partners in this particular situation, and it is because of that partnership that the judge has allowed us the extension that he previously granted.

The Trusteeship & Another Audit

Mr. Cardiff: While we are on Dawson, we may as well clean up some of the other questions about Dawson. With regard to the meeting in Dawson last evening, I will see what information I can get from the Member for Klondike. I'm sure he was closely monitoring what was going on there.

I'm sure at some point he'll have some questions for the minister as well.

With regard to Dawson and where we're at right now, Dawson is still basically under the administration of a trustee. I believe the trustee's contract runs out fairly soon. It was hoped there would be a municipal election — in fact, it was almost promised that there would be a municipal election before the end of this year. It doesn't appear that that's going to happen.

Can the minister tell us if he intends to extend the trustee's contract?

Hon. Mr. Hart: In light of the situation and the fact that we couldn't get a qualified audit for the City of Dawson, that negated the fact that we could provide a go-forth position with regard to assisting Dawson to ensure their financial situation could be picked up, and then we could identify some assistance that may be required in order to ensure the future council could operate as a municipality.

Yes, we've had to extend the trustee's contract because of the fact that we won't be in a position to get a qualified audit from the auditor until early in the new year.

Mr. Cardiff: There are a few issues with regard to Dawson City we need to talk about. They have received some audited statements from the auditor. Surely there must be some indication of where things have gone awry and where assistance needs to be provided.

Can the minister tell me how much money, if any, is in the supplementary budget for providing assistance to the City of Dawson so they can get back on their feet and elect a democratic municipal government? Is there any money there?

Hon. Mr. Hart: There is nothing in the supplementary to assist the City of Dawson. As I advised the member opposite, until such time as we receive the audit, early in the new year, we won't know what the actual amount is. However, we will be looking at what may be required for the City of Dawson in the mains next year.

Mr. Cardiff: Can the minister tell us what this has cost Yukon taxpayers so far? I can understand if he probably doesn't have it. This goes back well over two years — actually, it goes back further than that probably — since they appointed the second supervisor and then the trustee. Then there was the forensic audit that was sole sourced and got way out of hand. I don't even know whether or not there are final figures on what the forensic audit cost yet. What I'd like to see is how much it has cost the taxpayers of the Yukon for the forensic audit, the supervisor, the trustee, and if we could get a breakdown of that and any other monies that have been provided to ensure the functioning of the municipality of Dawson City.

Hon. Mr. Hart: There has been little change in funding with regard to assistance to Dawson from the last list that I provided the member opposite, other than, of course, the cost of the trustees since that particular time. However, if the member so wishes, I can provide him another breakdown as per his request.

A Public Inquiry?

Mr. Cardiff: I would appreciate that. That would be something that could be of interest and I'm sure it would be

of interest to the other members on this side of the Legislature and it could be provided to them as well.

One of the other issues that I raised almost two years ago, and it was raised recently again, is the idea of a public inquiry into what actually went wrong. We had the report by the second supervisor, we had the forensic audit done, and unfortunately there are still lots of questions about what went wrong with all these projects — whether it's the sewage treatment project or the lack thereof, whether or not it's what went awry in the building of the recreation centre and the management of that, the role of the city and of the Government of Yukon in what went wrong with the recreation centre or the sewage treatment facility or the swimming pool.

Now, I think that it's important to get to the bottom of this, and I don't think that all the questions were answered by the forensic audit. Certainly the citizens of Dawson, when the Member for Klondike was on that side of the House, were urging me to ask the government to ask for a public inquiry. Now it would appear that they are urging their MLA to again ask for a public inquiry.

Can the minister tell me whether or not the government has any plans to initiate a public inquiry under the Public Inquiries Act?

Hon. Mr. Hart: The goal of the public inquiry would be to find out what went wrong in Dawson. We believe the goal was achieved through the full-scale forensic audit launched by the government, along with the financial review of the Town of Dawson City, which was tabled in March of this year. The forensic auditor provided a copy of the report to the RCMP, and an investigation to determine whether or not there has been criminal wrongdoing is ongoing. That process is underway.

We are also reviewing Dawson's five-year financial plan in the context of the municipality's financial performance, year to date, to determine how sustainable their proposed operating levels will be in the long term. The government is committed to doing whatever is necessary to guide Dawson back to its feet, on a financial basis, and we will provide what measures are necessary to ensure accountability, good governance and long-term financial stability for the benefit of all Yukoners.

With regard to the actual process, when the forensic auditor made his recommendations, we are reviewing the recommendations of the auditor's report, and we are looking at instituting what is needed to ensure that we can prevent similar instances happening in the future.

Mr. Cardiff: I didn't think we would get into depth on this. The person who did the forensic audit — Mr. Doddington — in his introduction, kind of qualifies the forensic audit, in that he says, "While it was tempting to enhance our findings and conclusions with explanations from participants, including former officials, we decided that a more appropriate approach would be to let the documents tell the story."

This means he had information presented to him that would have clarified some of the things that he states in the audit. He had discussions about it — I'm not sure with

whom, but he did have discussions — but those discussions are not reflected in the forensic audit.

He also says, in the third paragraph: “We cannot say that our investigation has uncovered anything of significance. We have not sought oral explanations about issues we have observed since as a forensic accountant conducting a financial review I am neither empowered to compel sworn testimony or trained as a judge to assess the credibility of witnesses.”

He basically is saying that, although this is a financial review and it tracks where the dollars went, it doesn't tell us who was responsible for what went wrong. I think it's important that the public know that. It would be good to know whether or not the witnesses who presented the information that he's relying on and the papers he reviewed come from credible sources.

He says right in here that he can't assess that. They didn't go out and seek explanations. It would make sense to me, and I would think the minister would want to find this out. The minister is the one who is saying they want to get to the bottom of this and want to ensure this doesn't happen again. In order for that to happen, we need to have more information.

Mr. Doddington himself said he wasn't qualified to assess the credibility and he wasn't empowered to compel sworn testimony and he didn't go and get all the explanations that would be needed to get to the bottom of this. So I don't know why the government is against this. It was the minister who said they don't want to see this happen again, and I don't want to see it happen again.

I think that the concerns that Dawson residents have about their recreation complex are serious. No community should have to go through that. There were some bad decisions made, whether it was about location, how it was constructed, how it was designed, when certain processes took place on the site. All those things could be explored and we could learn from them. The recreation centre is not going to be the last building to be built in Dawson and it's not going to be the last public building to be built in the Yukon. If we can learn from the mistakes, if we could find out what mistakes were made, then we won't repeat them. I think that's important. That's one of the most important things. It's not just about the mistakes that were made on how a municipality governs itself and how it monitors where the funds are going; one of the big issues here is about a piece of infrastructure that the taxpayers of the Yukon and the taxpayers of Dawson have put money into, and it went south.

Now, I've worked on construction sites and I've seen projects go bad too. When we have something go wrong on a construction site, you stand back, you go and analyze what it is, you ask questions and find out what went wrong with the project so that the next time you're faced with building something like that, or working on a project like that, you won't make the same mistake twice. In other words, it's my belief, having worked in the construction industry, that there were several mistakes made, or otherwise the building wouldn't be sinking and the purlins wouldn't be twisting.

We're dealing with bad ground; we're dealing with permafrost; we're dealing with thermosyphons that were installed and then taken out. Somebody had to make decisions to do that.

It's important to get to the bottom of why that happened so the next time we build a recreation centre — there's one in the budget, Mr. Chair; there's a recreation centre in Mayo; there's \$1.377 million for a recreation centre in Mayo; we'll ask about that a little later. The thing is that this is an expensive project. It's a large expenditure of taxpayers' money, and what we're hearing is the building is not usable, for the most part. We've even heard that people have volunteered, gone out and raised money to try to make the facility usable.

Why wouldn't the minister and this government, in the interest of not allowing these mistakes to happen again — just as a for instance, \$1.377 million in Mayo. Mr. Chair, in your own community there's a recreation centre currently being built, and we don't want the mistakes to be made in your community on that recreation centre.

Mistakes happen. It is a fact of life, but we have to learn from them. In order to be able to learn from them, we have to find out what mistakes were made, when they were made, how they were made, who was responsible for making them and ensure that they are not made again. Unfortunately, Mr. Doddington wasn't able to do that. All he did was track the dollars. He didn't find out what went wrong with the recreation centre. We are talking about millions and millions of dollars. Yes, maybe some of them were misappropriated, and that is what the forensic audit is for. But how do we find out what mistakes were made on the project? That is why I believe that it is necessary to have a public inquiry — to find out what went wrong so we don't make those mistakes again.

Maybe the minister cannot commit on the floor of the House today, but he could commit to discuss it with his colleagues and get the support of his colleagues, who, I'm sure, don't want to see this happen in their communities. He could commit today to discussing the idea of getting to the bottom of what went wrong on that particular project. I think that is important. Will he do that?

Hon. Mr. Hart: We, too, on this side of the House are very interested in not making the same mistakes in any community, whether it is Dawson or Marsh Lake or wherever. We are looking at that process in order to try to prevent anything from happening on such a large scale again.

The situation in Dawson accumulated over years. As the member opposite indicated, millions of dollars were poured into the rec centre and other facilities in Dawson City. They were rearranged and moved around and whatever.

With regard to the forensic audit, the forensic audit was brought in because there were documents missing. There was information missing from the City of Dawson. We had to recreate everything with regard to Dawson City. There were failed computer files. We had all kinds of situations arise where we had to go and search out the information. Mr. Doddington's work was a finding on basically why the town

went broke.

This actually is a very important document demonstrating what Dawson City did in providing the rest of the Yukon a reason to ensure that we take the appropriate measures to make things accountable. That is why we brought in the Corporate Governance Act (sic) for Dawson City, to help out with that particular aspect.

The member opposite talked about how the report only dealt with certain portions of Dawson's problems. Yes, but he can only deal with what was available for him to work with. I will advise the member opposite that the RCMP are dealing with the situation regarding further court cases that are going to be required. If it gets to that stage, there will be additional information and statements requested at the time they get to that stage. It's going to take them time to go through the massive number of documents. We have secured that documentation on behalf of the RCMP.

We are trying to do our best here to keep the cost down. The member opposite is looking for a cost breakdown on what we expended to date. I can assure the member opposite that to follow through with a public inquiry is going to be a horrendously cost. But we have an idea of what's going to be there, and regardless of what the commission states or will not do, we still are going to have to deal with the recreation centre, we're still going to have to run with the pool and all the infrastructure that they are dealing with. We are still going to have to deal with that and I believe that that's something we — whether it's this government or any government in the future — are going to have to look at.

Right now we are following through with the process with regard to the audit. We are following through with the court case, which is being handled by the RCMP apparently, and, you know, we've sent letters to the individuals identified in the report. I've read their responses to those particular issues into the House here. With regard to the infrastructure, again I agree that we continue to take steps so that the capacity exists to undertake the projects.

The report provided by Mr. Doddington makes some recommendations on how, for example, government can assist to ensure that the projects in the future don't go astray. We are looking at those aspects to prevent that particular situation from happening.

I no more want to be the Mayor of Dawson City than he does, and I'm looking very hard at trying to get a new council in place as soon as possible. I'm doing what I can to get that to take place, but it's no use putting a council in place if in fact they are, one year down the road, going to be up to their neck again. I think the idea is to ensure that they have something to look after, give them something that's viable on a municipal basis, something that they can operate and something that they can take on as a challenge and take care of themselves.

Mr. Cardiff: I asked the question earlier about when there would be an election for the city council. I was previously talking about the need to get to the bottom of what went wrong with the facility. I'm going to try to ask a simpler question, one that should be easy to answer.

Recently it was reported in the newspaper that the former

Deputy Premier had made a promise for a new rec centre in a different location. Can the minister tell me if there's any truth to that?

Hon. Mr. Hart: Nothing of that process has come across my desk.

Mr. Cardiff: I hope that before it does come across your desk, we find out what mistakes were made on the current facility so they're not repeated at the other end of town, albeit the ground conditions would be a little bit different, I believe. It's important when it comes to designing and constructing a facility, no matter in which community, that we take as many precautions as possible and learn from the mistakes of the past as much as we can.

As good as the forensic audit is and for what it provided us with — a trail of where the paper went and where the money went and where the money went missing and what pieces of paper disappeared or were hard to find — it didn't tell us why the Dawson rec centre is falling down or sinking into the ground, whatever the problems are — the roof collapsing. Before we undertake more work, whether it be on that building to try to bring it up to snuff or on a new building, we need to learn from the mistakes that were made on the project we're dealing with now.

That is causing so much heartache for the residents of Dawson. Hopefully the government will look into that.

I have one other question. This goes back a little ways. The minister mentioned that the RCMP are involved in some of the things that came out of the forensic audit. There was also a court case that started almost two years ago — maybe 18 months ago — with regard to the waste-management contract in Dawson. It was when the Dawson City council was still in place. It was before they were removed by the minister. They made a decision at a council meeting. The minister's supervisor reversed that decision. It was my understanding that a court case came out of that. I am just wondering whether or not that has been resolved or if there has been a cost to the City of Dawson because of that.

Hon. Mr. Hart: I believe the trustee has taken care of the situation.

Yukon Amateur Boxing

The Yukon Amateur Boxing Association in conjunction with the Yukon Government's Best Ever Program sent two boxers and coaches to the Western Canadian Boxing Championships held in Winnipeg on December 12th to the 15th. Daniel Reti from Whitehorse and Kevin Mendelson from Dawson City along with their two coaches Harvey Reti and Michael Mason were participants in the event. Both boxers competed twice at the event with Kevin Mendelson winning gold and Daniel Reti winning silver in their respective weight divisions. A show of great sportsmanship and skill made these two athletes the talk of the tournament.

As the Yukon will be hosting the next Western Canadian Boxing Championships as out test event for the Canada Winter Games the experience gained by the athletes and coaches with the Winnipeg organizers was invaluable.

For any further information please don't hesitate to contact Harvey Reti @ 456-7391 or Michael Mason @ 867-993-5802

Many Thanks
Sincerely
Yukon Amateur Boxing Association

The Lagoon will work, but where will it go?

By Dan Davidson

The good news about the tests that have been carried out here since last summer to see if an aerated lagoon system will handle Dawson's effluent efficiently is that it works.

The bad news is that there's still no definite place to put a lagoon in the Klondike Valley.

The three test tanks were intended to replicate, on a smaller scale, the type of effluent treatment which would be carried out by a full size system. Dawson's sewage, which is devoid of solid matter by the time it leaves the screening plant on Fifth Avenue, still has to be processed for biochemical oxygen demand (BOD), total suspended solids, fecal coliforms, surfactants (detergent residue) and ammonia to meet secondary treatment standards.



It was thought that a three lagoon system would be needed to do the job, but Norm Carlson, the town's superintendent of public works, says it appears that two will do the job. The liquid in both tank two and tank three was well below baseline standards for all the critical factors at the end of the project, which ran into November.

So the process works, but there is still no site selected for the construction of the lagoon. Twelve sites were examined. Two sites, one just off the Bonanza Road (site C) and the other between the Callison Industrial Subdivision and the Quigley Landfill (site A) have been set aside for further exploration under the LARC process, but there are problems with both properties.

Site C is located on or near some active mining claims and fairly near some residences on the Bonanza Road. It is not clear if the claim holder will sell the land or for how much.

Site A is some distance down the highway. The current plan will require the installation of two sewage mains, one to pump the effluent to the lagoon for treatment, and another to bring the treated water back to the screening plant on Fifth Avenue, from whence it would be discharged

into the river at the existing outfall.

While this plan avoids the issue of having treated sewage enter the watershed above the town's wells, it could lead to additional expenses in both the construction and operational phases of the lagoon if the mains have to be too long.

Besides that, a number of residents, including MLA Peter Jenkins, are leery of the idea of having a lagoon upstream from the town's watershed.

There were other concerns expressed about the project at the December 6 meeting of the trustee's advisory board. YTG and the town have until December 2008 to get this solution working. Committee member Bill Bowie was concerned with deadlines, since it seemed to him unlikely that the project would be able to meet its new deadline.

Jenkins was more definite in his assessment: "It can't be done on time."

Judge Heino Lilles, who issued the original order and then modified it, continues to be happy with progress on the project, as shown in last month's court session, and Trustee Ray Hayes says that the court order does allow for further timeline extensions as long as it can be shown that the town is not dragging its feet on the project.

The project is in the hands of the government now. YTG is managing and overseeing the project, and Hayes says that Lilles who understands Dawson's financial situation, has indicated that he is prepared to tell the government to pay for the project.

Jenkins suggested that any agreements with YTG should go one step further and make sure that the government owns the project, making it responsible for any shortcomings and, perhaps a lot of the cost of running the system. He also advanced the idea that microscreening at the filtration plant might be part of the solution to the town's sewage problems.

New O.I.C says Dawson Might Not Vote Until Territorial Municipal Elections

by Dan Davidson

While Trustee Ray Hayes has only signed a contract to stay in his position until the end of March 2006, and has yet to have his actual appointment as trustee for Dawson City extended (he's expecting the Order in Council to be passed shortly), another Order in Council passed on December 8 suggests that the Yukon Party government might have even longer range plans for the town.

Order in Council 2000/201 has extended the deadline for possible elections to October 19, 2006, which happens to be the same fixed date when all other towns must go to the polls next fall as the current set of three year terms comes to a close.

When Hayes was originally appointed it was assumed it would be for a year, towards the end of which, according to the Municipal Act, "The trustee must make suitable provisions for an election of a new council to be held within one year of the trustee's appointment."

Hayes actually expected to be able to do this within six

months of taking office, but the forensic audit he requested, which Minister Glenn Hart set in motion, took many months longer than it was expected to, and was not complete until February of this year.

In spite of leaks to certain media in March, the audit was not officially tabled until close to the end of Hayes' first year in office, which meant that he could not fulfill his commission.

The government's out was to invoke subsection 16 of that same portion of the act, which states that "The Commissioner in Executive Council may extend the time for an election required"

Order in Council 2005/61 was passed on April 15, 2005, specifically setting December 31, 2005 as the final date by which elections might be held. Subsequently, Hayes' trusteeship was extended to that date.

Hayes has been clear in his statements here and to the press that he has been ready to drop the election writ since the end of last summer. He presented the government with a series of options for debt forgiveness and financial restructuring and fully expected that one of them would be chosen and announced when the territorial cabinet met here on October 17.

Instead, the public meeting was told emphatically and repeatedly by Premier Fentie that no action was being taken, that options were still being explored and that, in spite of the forensic audit and the annual audit, the government still did not know enough about Dawson's finances to proceed.

Fentie concluded the evening with this declaration: "You will have a mayor and council, hopefully under this government's watch."

At that time he was sitting beside his deputy premier, Peter Jenkins. Jenkins has since resigned his cabinet positions and quit the party. Fentie says it was a clash over Jenkins' outstanding \$308,000 debt to the territory, but Jenkins has said otherwise.

He claims to have been trying to bring the Dawson situation to a resolution, but, as he told a recent meeting of Hayes' advisory committee at a public meeting: "There is no appetite on the part of the government of Yukon to address the serious financial situation in Dawson. That is a fact."

So now we come to O.I.C. 2005/201, enacted on December 8, which amends the April 15, 2005 OIC by

"revoking the expression 'December 31, 2005' and by substituting the expression 'October 19, 2006' for it."

That's the Thursday of the third week in October and, by a curious coincidence, that's the same day unidentified by subsection 52 of the Municipal Act, which states "Each

municipality shall hold a general election every three years on the third Thursday of October, starting in the year 2000. S.Y. 1998, c.19, s.52." This order does not mean that this is when the next municipal elections in Dawson will be held; some solution might be proposed sooner than that. But it does indicate when they might be.

At this point Ray Hayes has only agreed to stay on

until the end of March. While he has said many times that he would not like to abandon this post until the problem has been solved, that he would like to close the deal, as he likes to put it, that's a long tunnel and the light at the end of it is rather small seen from here.

Chimney Sweeps Save the Festive Season Around the World Story & photos
by Dan Davidson

A cadre of chimney sweeps worked behind the scenes to rescue the Holiday Season for families of many different cultures in "Once on a Housetop", this year's Christmas Concert presentation at the Robert Service School.

Called in to clean up chimneys the sweeps rescued a Santa Claus stuck in a chimney, provided food to a poor Jewish





family, gave clothes to an African child and watched Christmas celebrations in Mexico as well as a gathering of angels and shepherds for the first Christmas.

A Moosehide Christmas scene featured Grade 3 singing a couple of carols in the Hän language.

Grades Kindergarten to 6 were involved in the evening's entertainment before a jam-packed house, assisted by their teachers and a number of high school students.

The music for the show ranged from traditional carols to show tune type numbers and even a rap tune.

The audience was clearly very appreciative and applauded each number enthusiastically.

MLA Jenkins Now Says Dawson's Problems are YTG's Fault, Demands Inquiry

HANSARD, QUESTION PERIOD

December 13, 2005

Question re: Dawson City financial situation

Mr. Jenkins: ° I have a question for the Minister of Community Services regarding this financial mess Dawson City is in. Some \$22 million was spent for a few short years. The forensic audit is the glossy piece of paper, but it really only identified \$1.1 to \$1.2 million in over expenditures or misspending. The major issue is the capital funding agreement. \$10.4 million was provided to Dawson, and Dawson was required to contribute \$1.16 million.

Dawson did not have the money or the legal means to borrow — that was known to Yukon. The minister approved borrowing over statutory limits. The financial controls attached to the capital funding agreement were ignored by the minister. The minister imposed the project management team over the projects — the capital projects. Yukon territorial government has the responsibility to allow these capital projects —

Speaker: Order please. Would the member ask the question, please?

Mr. Jenkins: ° Will the minister acknowledge the Government of Yukon's overwhelming role in creating Dawson's financial mess?

Hon. Mr. Hart: With regard to the finances in Dawson, and with regard to the project, he is well aware — previously, he has been mayor of that particular municipality. He's well aware of what has been happening in that community for many years with regard to the situation with previous ministers. I can't be held responsible for what was performed or done by the previous minister. I can tell you, Mr. Speaker, that we are doing our best to ensure that it doesn't happen again, and we are doing our best to ensure that due diligence is being done to assist the municipality of Dawson City.

Mr. Jenkins: ° If I take that answer to be that the minister now acknowledges the role of previous ministers in creating this financial mess in Dawson City, the minister will have to step up to the plate. There's the issue of eliminating the

debt. Even if the principal repayments were extended into the future at a zero rate of interest, it would be impossible for Dawson to become a viable community.

There's a need for a rec centre and secondary sewage. Will the minister commit to making amends for YTG's tremendous oversights regarding Dawson City's financial mess and provide the necessary capital to ensure the community becomes a viable and going concern once again?

Hon. Mr. Hart: I will repeat what I've said so many times in the House. We are working in conjunction with the trustee involved with Dawson City's finances to ensure they are on a sound financial basis. Once we are in a position to do that, we will address that situation and go forward with an election.

Mr. Jenkins: The financial mess that Dawson is in was created by previous Yukon governments — that is a fact. The financial mess is there, and it cannot be dealt with without an infusion of capital. Approximately \$15 million is needed — and needed urgently — to meet the requirements for a sewage treatment plant, to meet the requirements for debt-forgiveness so Dawson can become viable again, and to meet the needs for upgrading a recreation centre.

Will the minister commit to provide the necessary funding to get Dawson viable once again?

Hon. Mr. Hart: I will repeat what I said previously. We are working with the Dawson City trustee to firm up their financial situation. We will do what is required to enable Dawson City to operate as a municipality. Some of the solutions offered by the member opposite may have to be considered, but until we are in a position to review that, we will make those decisions at a later date

***NOTICE OF MOTION RE: DAWSON'S DEBT
Hansard, December 15, 2005***

Mr. Jenkins: I give notice of the following motion:

THAT this House urges the Government of Yukon to publicly acknowledge that, through its actions and those of its servants, including the first order-in-council appointed supervisor and various project managers, it possesses a significant amount of responsibility for

- (1) discrepancies in the financial administration of the municipality of Dawson City;
- (2) the unsustainable debt of Dawson City;
- (3) the lack of an operational sewage treatment and recreational facilities in Dawson City; further

THAT this House urges the Government of Yukon to commit within 90 days to taking the following action in respect to Dawson City:

- (1) cause all debt owed by Dawson City to the Government of Yukon to be written off forthwith and unconditionally;
- (2) design, build and finance a secondary sewage treatment facility in Dawson City;
- (3) provide operation and maintenance funding for the secondary sewage treatment facility for a period of not less than 10 years; and

(4) construct and finance a new recreation complex in Dawson City and turn this facility over to Dawson City once an occupancy permit has been issued for it; and

THAT this House urges the Government of Yukon to cause a municipal election to be held in the City of Dawson on March 20, 2006.

CHRISTMAS LIGHTS

