

VOTE YES - For Lower Utility Bills

How the City Tries to Manipulate Referendum Voters

The \$276 Myth

The City would have us believe that a YES vote in the September 25 referendum will dramatically increase the construction cost of the new wastewater treatment plant. They claim this would increase utility bills by \$276 per year.

Of all the city's fuzzy math on the P3 question, this claim is the most ridiculous, and one that's been designed to scare ratepayers into voting "no". After all, nobody wants higher utility bills. But like most of the city's claims, this one doesn't stand up to scrutiny.

Fuzzy Math

First, City of Regina spokespeople can't even agree how they arrived at \$276. Some say it's the \$58.5 million in federal funding tied to the P3 divided by the number of ratepayers. Others claim it's actually the \$79.6 million the city's secret report claims they will save by going with their proposed P3 privatization plan divided by the number of ratepayers. Or maybe it's divided by the number of utility hookups. Or maybe by the number of households. Like all the city's numbers, the math is intentionally fuzzy.

The Regina Chamber of Commerce, which is running an ad campaign that parrots the city's talking points, goes to even more absurd lengths in a September 11 fundraising letter to its members. The Chamber of Commerce claims "a large utility rate increase which could cost individual property owners between \$276 up to a high of \$8000 per year for 4 years or more." So, somewhere between \$276 and \$8,000 per year ... obviously some pretty solid math behind those numbers.

A P3 is more expensive

Second, the extra costs of a P3 will exceed the proposed \$58.5 million federal grant because of higher private financing costs and the need for the corporation involved to make a return on investment.

Independent financial analysis by economist Hugh Mackenzie shows that even if the federal government doesn't give us a penny, voting YES to proceed with a traditional Design-Bid-Build model would cost between \$37.4 million and \$77.2 million **LESS** than the proposed P3 privatization.

Voting "no" will actually mean higher costs, and therefore higher utility fees.

Less than Honest

Finally, the taxpayer-funded advertising campaign by the city is intentionally misleading, saying, "Vote no to paying \$276/year more for utilities." But what the city ads don't say is that their claimed increase in rates is spread over just four years. Why four years when we're talking about a 30-year project? Nobody at the city can say.

In fact, in an email response on this very question, the City of Regina admits that the decision hasn't even been made yet, writing, "Whether it is four years, less or more, that decision will be left to Council to approve." Another email from the City states, "The four year amortization is an illustration that was used as an example." The Mayor has even said the number isn't real, as a Newstalk 980 article on the issue states, "The Mayor has admitted that was essentially an arbitrary selection."

Designed to Scare Not Inform

In other words, the City chose four years simply because \$276 was a big enough number to scare voters. Any change in utility fees – and again, according to independent economic analysis **a no vote will actually increase the cost of the project and lead to higher utility fees** – could be spread over one year, or four, or 10 or 30. And the decision hasn't even been made by Council yet.

To sum up: Claims by the City of Regina that your utility bills will go up by \$276 per year is just more ... sewage. If you really want your utility bills to stay as low as possible - Vote Yes.

On Sept 25
Keep water
public!

Vote
YES!

Pledge to vote YES: Text "YES" to 306-988-1754
or text INFO for more information



Regina
Water Watch ReginaWaterWatch.ca