

**REGINA WATER WATCH
PRESENTATION TO REGINA CITY COUNCIL
AUGUST 26, 2013**

My name is Jim Holmes and I am representing Regina Water Watch

Regina Water watch would like to invite Regina City Council to join our request for Provincial oversight of the September 25 Referendum. We wrote to Minister Reiter this morning.

Our reasons for this request are outlined below. There are some amendments Council could make tonight.

SPECIAL POLLS

Regina Water Watch urges the amendment of the Bylaw to conduct the vote in seniors' residences and other special polls as advanced polls, not mail in ballots. Voting day for these polls would be different than the general polling day, This could be clarified by posting clear notices in each location.

This would result in the largest number of **cast** ballots and be most similar to the normal election process. It would alleviate the problem of staffing shortages on September 25. If necessary, City staff could be paid overtime rates for these polls. This could be funded by not assigning City staff to campaigning for the VOTE NO campaign.

MORE ADVANCED POLLS

The proposed bylaw would reduce the days of advanced polling days by two thirds . We urge the restoration of the deleted two days of advanced general polls.

PAPER BALLOT

The referendum is a simple YES or NO vote. It would be easy to count without machines. The accredited representatives of the YES and NO campaigns cannot verify the operation of the machines. It is important that all voters have confidence in the result of the referendum. Only a paper ballot will provide certainty.

CITY STAFF CAMPAIGNING

City staff should not campaign for either YES or NO during working hours. The City Code of Conduct prohibits staff from campaigning during working hours for any candidate in an election. A referendum is an election under the *Local Authorities Elections Act*. Referendums do not have candidates but rather resolutions. But the spirit of the Code should be observed.

The Saskatchewan *Referendum and Plebiscite Act* provides:

Publishing, broadcasting by government limited

11(1) During a referendum or plebiscite period, no department, board, commission, Crown corporation or agency of the Government of Saskatchewan shall broadcast or publish in any manner any information or particulars of the activities of the department, board, commission, Crown corporation or agency that pertain to the question or questions put to electors in the referendum or plebiscite except:

- (a) information that is routinely broadcast or published as a part of normal operations; or
- (b) in the case of an emergency, where the public interest requires the broadcast or publication of the information or particulars.

We would suggest the follow the Provincial law of the *Referendum and Plebiscite Act*.

Billboards, robocalls and newspaper ads at public expense telling the public how to vote are not part of the normal operation of any City.

Recently Metro Regina consulted a leading ethicist, He said campaigning by City Employees is

“...not just questionable, (but) an unethical practice” for such employees who don’t hold elected office.

“It’s a clear-cut violation of professional ethics for civil servants,” [Arthur] Schafer, director of the Centre for Professional and Applied Ethics at the University of Manitoba, said on Wednesday. (Metro Regina August 8, 2013)

In a Metro poll, August 8, 2013, 61.54% of respondents said the City was unethical and wrong, 21.65% said the City should limit itself to information without bias. Only 16.16% thought the City’s behavior was acceptable.

The City actions are inconsistent with its own Code, the Provincial Legislation, general ethical standards and the opinion of Regina residents.

FINANCING THE NO CAMPAIGN

The NO campaign should not be financed with taxpayers' money. The City is spending \$340,000 telling citizens how to vote.

The Chamber of Commerce and the Fraser Institute are quite capable of mounting a campaign.

In the alternative, some citizens have suggested an equal amount should be made available to Water Watch to present the VOTE YES campaign.

INFORMATION

How much will the plant cost?

The City has estimated the cost at :

June 11, 2012 \$153 million (2012 dollars plus or minus 20% Project Delivery Report

December 12, 2012 \$167 million +/- 15% in first quarter (Q1) 2012 dollars.

When construction inflation rates are carried through to construction in 2015/2016, the estimate reaches \$207 million +/- 15% in third quarter (Q3) 2015 dollars (**Project Update;**)

Jan 21 2013 \$180.4 million (2013 dollars) plus inflation of \$26.6 million (14.75%)total \$207 million. (Water and Sewer Utility Budget Approved 2013 Budget)

Deloitte January 22, 2013

p.3 \$207 million (+/- 15%)

p 22 \$238.05 million (ie 207 plus 15%)

p 22 \$234.8 million (\$58.7 million P3 grant x4) **Deloitte** Jan 22, 2013

current \$224.3million (City of Regina website)

current \$234 million (ie \$58.5 million P3 grant x4) (City of Regina website)

Councillor Young confirmed \$234 million is the cost, including construction and procurement and legal costs.

No wonder the City claims the P3 project will not go over budget. It already has a cost overrun of 53%.

MISINFORMATION

Why does the City claim the cost of the plant is \$224 million when you know the cost is \$234 million? When did you intend to tell voters the real number?

The City claims a publicly funded plant will cost each taxpayer \$276 more per year. That is a calculation based on a four year construction schedule. All the other cost are amortized over 30 years. The \$276 is without justification.

Councillor Hawkins explained the four year term was used because that is the construction period of the plant. The City website says construction will begin in spring 2014 and be completed in three years in 2016 (or spring 2017, the website gives different completion date on a different pages) In any case three years.

Apparently, Councillor Hawkins believes the P3 project will be a year late.

Incidentally Regina City Council has increased water and waste water rates by \$625 per household (74%) since 2007. We were told this money was to be used to finance a new wastewater treatment plant.

BUILDING CANADA

PPP Canada is not the only source of Federal Funding. The last Federal Budget announced the Building Canada Fund. The Fund provides for one third Federal Funding, or \$78 million for the Wastewater Treatment Plant. This is \$19.5 million more than the P3 grant. The money will be available in 2016 . That is when the City would receive the P3 funding. There is a P3 “screen.” The higher interest cost of the private partner ensure the public option will be cheaper and will pass through the screen.

Many public water and wastewater treatment plants have been funded by the Building Canada Fund and some have won awards for innovation.

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END SECRECY

Saturday Councillor Young said City will release some of the secret calculations this week. We requested them in April of 2013 and received blank pages on May 2. Apparently Regina Water Watch’s repeated requests for an end to secrecy had some effect.

The City should release all the calculations including interest rates, return on equity and transaction costs.

We do not expect the risk transfer calculations will be released. It has often been commented on in independent studies that the risk transfer calculations are always secret, unsubstantiated and just the right amount to make private delivery cost competitive with public service delivery.

If the City cannot produce verifiable calculations for the value of risk transfer it should claiming it will produce any savings.

The City's evaluations were done by Deloitte, a sponsoring member of the Canadian Council for Public Private Public Partnerships. "The Council is a proponent of evidence-based public policy in support of P3s" according to their website.

THE CITY CLERK

The City Clerk will supervise the referendum vote. She reports to Jim Nicol Executive Director of Governance and Strategy. He spoke for the City Clerk to the media and Council on the invalidation of the petition. The City Clerk did not.

Mr. Nicol has now also taken on the City Clerk's role of censoring presentations to City Council

Mr Nicol is the subordinate of City Manager Glen Davies. Mr. Davies has been outspoken supporting the P3 project.

The citizens of Regina deserve a fair vote. Provincial oversight will guarantee citizens get accurate information. Provincial oversight means an end to City administration campaigning with taxpayers' money and resources. Provincial oversight means the results of the vote will be accepted by voters.

Please join us in writing to Minister Reiter.