

The Facts on Cary Clean Water Bonds

Vote May 3, 2005

- ✓ The Cary Town Council voted unanimously to call for a \$120 million Clean Water Bond Referendum on May 3, 2005 to fund open space and Cary's share of new, regional wastewater facilities.
- ✓ The referendum asks Cary citizens to give the Town permission to use a special type of financing—General Obligation (GO) bonds—for the projects.
- ✓ GO bonds are the least costly financing option available for these projects.
- ✓ You must be a registered voter by April 8, 2005 to vote in the referendum.
- ✓ Cary polling locations will be open from 6:30 a.m. to 7:30 p.m.

Open Space Bonds

Open space protects our water supply, lessens flood hazards, promotes diversity of plants and wildlife, and preserves an interconnected system of natural resources.

The \$10 million in GO bonds for open space will be used to help support Cary's commitment to preserving open space as identified in the Town's Open Space and Historic Resources Plan.

In fiscal year 2002, the Town Council approved spending \$11.2 million for open space preservation within Cary's planning jurisdiction. Beginning in fiscal year 2003, the Council approved setting aside \$1 million annually from utility rate revenues to support open space acquisition.

If approved on May 3, 2005, the \$10 million in GO bonds for open space would be repaid over 20 years with either up to one additional cent on the property tax rate or using part or all of an existing \$1 million annual appropriation from utility rates.

Wastewater Facilities Bonds

The new treatment facilities will meet Cary's capacity needs through 2020 based on a projected 3 percent annual growth rate and must be built by 2011 to meet a State regulatory requirement.

Since a regional facility will be cheaper to build, better for the environment, and preferred by State regulators, Cary is working with Apex, Morrisville, and Holly Springs on the project.

If approved on May 3, 2005, the \$110 million in GO bonds to fund Cary's portion of the \$193 million regional treatment facilities would be repaid through utility rates, not property taxes—an estimated additional \$22 per month per average Cary household by 2012, or about another \$3 per month per 1,000 gallons of water used by 2012 for non-residential customers.

If the GO referendum for the treatment facilities fails, more expensive financing options will be required since the facilities must be built regardless of the outcome of the election.