

To: City Council
From: Anthony McManus
January 29, 2011

After some consideration, I'm writing in opposition to the proposed waste water authority for the following reasons:

First, it seems to me that the main reason for the proposal is to move a large chunk of money out of the budget, off the tax rate, out from under any possible tax cap. I don't see this as a legitimate basis for creating a new level of administration without there being some real additional benefit to the city.

The suggestion to create what would be a new "impact" fee would be acceptable except that it varies considerably from other fees we have now. Everyone who creates garbage pays a fee toward disposal costs. Every sewer and water user pays a fee. But if you don't send garbage to our dump or you have a septic system, you don't have to pay for garbage bags or the sewer fee.

The current proposal, as I understand it, is that you are going to be assessed a fee even if you have no actual impact on the waste water system. For example, my house---and many others in the city---contribute nothing to the storm water system---yet I would be assessed a fee. I think this takes the proposal out of the "user" or "impact" category and makes it the equivalent of a tax..

In addition, the proposal discriminates against residential properties. The payment will not be an allowable deduction on an individual tax return, but it will be an allowable business expense for a business or commercial user. So not only will the individual homeowner be paying more but the tax deduction will be reduced.

The plan also strikes me as being basically unfair. If I understand it, the cost to single family residences will be the same regardless of the size or number of buildings, the length of the driveway or the size of any parking area, paved tennis court, patio, etc. Water usage is measured. You pay only for the number of garbage bags you buy. These are proper "user" fees. An across-the-board "one size fits all" fee is not.

At one of the meetings it was pointed out that the square footage of a mobile home is substantially less than the square footage of a single family residence, on which the assessment is based. It was also mentioned that the "credits" against the assessment have yet to be determined. At the very least, these two items should be resolved prior to passage. They should be decided by elected officials so the residents/taxpayers will know what is happening and what to expect and be able to weigh in on a final proposal..

Finally, there may well be some serious legal issues involved with the proposal (although I assume someone has looked into this).

1. As noted above, it may fail because as a user fee or impact fee it's not based either on the use by the property owner or that person's actual impact on the system.

2. It may fail as a tax because it isn't proportional, i.e. all single families will pay the same regardless of the actual amount of impervious area.

The solution, it seems to me, is to keep the payments as a budget item---no separate administrative "authority", no separate collection system, probably less overall cost, much easier determination of who pays what, and the decisions on future increased costs will be made by elected officials.

Thank you for your consideration.