

NEWS RELEASE

Manufacturers Association of the Jamestown Area
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Manufacturers Association Call Waste Water Rate Increase a Hidden Tax

“The City is raiding the BPU.”

(December 28, 2001) In a statement released today the Manufacturers Association of the Jamestown Area called the waste water rate increase a hidden tax. “This combined with city tax increase being discussed is one more reason for business to move out of the City,” stated Todd Trantum, MAJA Executive Director. “The city ran this division into the ground and the BPU did a great job turning this division into something stable and profitable. “The City just cannot keep their hands off the BPU.” “The city is raiding the BPU.” “The City has failed to control their costs so now they are going to the BPU to balance the budget.”

“We are not suggesting that capital investment is not important but we would like an explanation of why it is front loaded to the tune of approximately \$1.3 million,” stated Heidi Nauleau, MAJA President. “If the waste water division did not have to pay the tax in first place the BPU would have had the revenue to reinvest in the utility.”

Capital investment in the waste water treatment division averaged approximately \$125,000 per year over the past four years. The proposed capital budget for next year is approximately \$1.3 million dollars. This increase in capital expenditures is being used to justify a rate increase that will increase the tax payment to the city from the BPU from \$312,000 to approximately \$360,000.

“The tax payer deserves to know that they are getting taxed twice,” stated Trantum. “The tax payer paid for the infrastructure and now they are paying a tax to utilize it.” “We strongly urge business people and residents to join us at the public hearing December 31st at 9am at City Hall.”