See my comments – highlighted below (on page 2) – on behalf of the Queens Chamber of Commerce opposing the Water Board's rate gouge. I testified on May <u>6</u> and <u>10</u>.

Times*Ledger*

Board agrees on 7.5% water

First single-digit increase in 5 years

By Rich BockmannThursday, May 19, 2011 11:11 AM EDT

City Department of Environmental Protection Commissioner Cas Holloway (r.) gives a presentation on the proposed water rate for fiscal year 2012 before members of the city Water Board at a public hearing in Flushing last week. Photo by Rich Bockmann Get ready to pay more for your water.

On Friday, the city Water Board voted unanimously to approve the 7.5 percent water rate increase proposed by the city Department of Environmental Protection.

It is the first single-digit increase in five years, but 35 percent less than the figure the department had projected last year.

State Assemblyman David Weprin (D-Little Neck) said that while the increase was preferable to the proposed 11.5 percent, it is still too high.

"Had there been reasonable increases in the past, this would be not so outrageous," he said. "But these increases all add up. It gets compounded each year." Weprin has introduced a bill that would limit each year's water rate increase to 5 percent.

Earlier last week, the public turnout at the Queens Water Board hearing was like the new rate increase: in the single digits. Only a handful of people showed up at PS 499 in Flushing for DEP Commissioner Cas Holloway's presentation, which cited a number of federal- and state-mandated projects such as the Croton filtration, ultraviolet disinfection and Newtown Creek treatment plants for 15 consecutive years of water rate increases.

For fiscal year 2012, 42 percent of the DEP's operating budget will go to pay the debt service for these capital projects.

"I can say without qualification that this is the most capital work ever done at the same time," the commissioner said. "That has to end. By doing all these projects at the same time, that's what's driving the water rate increases."

Holloway said the department is peaking on spending now for projects from 2007 and 2008.

The commissioner said the difference between last year's projected increase and this year's proposed one was due to installation of wireless water meter readers and an 8 percent expense reduction last year. A spokesman for the DEP said that increased usage during last summer also contributed to the lower figure. The city also authorized a lien sale so the DEP can receive money from delinquent accounts.

"People who can afford to pay need to pay," Holloway said.

One Queens resident said she was having trouble paying her bill. Carol Courtines, a retired school teacher living on a pension, said her bill had gone up from \$62.94 from the second quarter of 2008 to \$366.74 in first quarter of 2011.

Corey Bearak spoke on behalf of the Queens Chamber of Commerce in opposition of the increase.

"Everyone knows that the water and sewer hikes really function as tax hikes in all but name," he said. "This use of so many millions of dollars to cover costs outside the water system and the outrageous practice of the city charging itself rent to operate its water and sewer system make clear how the Water Board functions as a cash cow for City Hall."

Holloway said that more than \$200 million, or 7 percent, of the DEP's fiscal year 2012 budget will be paid to the city and that, based on a comparison of 56 major markets, the figure was justifiable.

The new water rate goes into effect July 1. Customers who sign up for electronic billing can save an extra 2 percent on their bill.

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View the entire article here.