

To the Editor:

Saturday's *Indianapolis Star* published an article by Bruce Smith describing the issues involving Boone County, Fayette/Perry Township and Whitestown. I read it with a great deal of appreciation. Mr. Smith did an excellent job of summarizing a complex issue.

However, Mr. Smith states in his article the issue is about millions of dollars in taxes. I find that statement confusing.

According to my teachers, the Indiana local tax code is a pyramid with county taxes as the foundation. Every private residence and business, in town or out, pays taxes to the county. (Though individual tax bills may vary, the rate is the same across the county.) The rates of the remaining taxing entities; i.e., townships, special districts, (schools, libraries and, parks) and finally, cities and towns, are then lain on that foundation. Therefore, regardless of Whitestown's proposed annexation, Boone County, Perry Township and Lebanon Community Schools will receive the same amount of revenue, less the tax incentives granted by the RDC. The only looser in that scenario is the area's utility service provider, Whitestown.

The question we must then ask is this, why would the developer offer to pay "millions of dollars" in additional taxes? That simply is not good business. Even if, as some claim, the developer has Whitestown in his pocket, is true, it would have to be an very big pocket to justify millions of dollars in additional costs.

The reason, the developer offers is the county's decision- making is mixed. Could that be true?

Let's review the decisions that may have provoked the developer's statement. In previous but separate actions, both the Boone County Commissioners and the Boone County Area Plan Commission denied Whitestown's request to plan in the utility service area of the proposed development. Apparently, the county expects Whitestown to deliver water and sewer services to the proposed development, while denying the ability to plan. The county expects on the one hand, while it takes away the means to satisfy those expectations with the other. Is that an example of the mixed decision-making the developer has in mind? What so you suppose the court will call it?

We must also review the steps that drew Whitestown into this controversy.

Developer operated for profit sewer companies, generally, have not performed well anywhere in the country. The eight county water quality plan documented their problems and their poor performance concluding that, "public Health issues are too important to be decided privately." Yet the county, approved Royal Run with a developer owned and operated for profit sewer utility. This issue should have been resolved then when the opportunity for reasonable discussions existed.

After completing Royal Run, in a classic textbook case, the private for profit sewer plant operator, responding to a request from the county for nothing more than his co-operation locked his doors and walked away leaving behind substantial debt. The

county then finding itself in a dilemma of its own making tried to “cheap” it’s way out of the problem by hanging the private utility’s lenders out to dry.

Is it any wonder the current developer is concerned?

The Bankruptcy judge, whose job is to protect the bankrupt utility’s lenders, to no one’s surprise but the county’s, rejected the county’s proposal. Needing a resolution Whitestown stepped in, presented the judge with an alternative proposal protecting the lenders and the judge awarded the utility to Whitestown, thus bringing us to the current debate. Three decisions by the county and three misses, I thought after three strikes you were out.

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