

No Standing News

Since we have no standing, we stand with those left standing

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SAVE OUR CITY; SELL OUR UTILITIES

We have a solution for the outrageous quarterly increases in RMU's prices. We sell the damn thing and then, when they try to raise rates by 75% in only eight months, we could at least go to the Missouri Public Service Commission to protest and probably get it stopped or at least reduced. Our problem is that the PSC regulates everyone EXCEPT city-owned utilities like RMU. Because RMU is a city-owned utility (which city taxpayers bought in 1945 because they were told ownership would give us cheaper electric rates) the only people we can complain to about RMU's outrageous rate increases is the Rolla City Council. The catch-22 is that *the council gets a 5% pay-off out of every rate increase* so they're just tickled pink when RMU gouges us with their Chicken Little routine that the sky *may* fall and costs *may* go up – sometime in the future. In February, the council passed an ordinance so they would get 5% tax from *all gross receipts* of RMU. A percentage of *all gross* receipts means that even if RMU sells a rusty truck the council gets 5% off the top - their windfall profits just keep on coming. At our latest residential rate hike in August '05 from **6.6¢** to **7.8¢** per 750 kWh the council would have gotten a windfall of over **\$1,300,000** but even before they reaped that windfall RMU has hiked the rate twice more to **10.4¢** per kWh (per 750 kWh), effective August 1, 2006. Now the council will get a windfall of over **\$2,000,000** from our utility payments. Every RMU rate increase means the council can have that much more fun shopping at RCDC/Chamber development mall.

We're trapped. The council has no incentive to control RMU's rates. To prove it they passed the February RMU "reform" ordinance that says the utility board only has to come to

the council to announce rate increases *AFTER* the RMU board has already voted to raise our rates - not before. The council's 5% tax rake-off is an illegal tax that violates the Hancock Amendment to the Missouri Constitution but they don't care about violating the law as long as they get more money to spend. Unless someone sues the city for not allowing the public to vote on their 5% floating utility "franchise" TAX, they have us by the throat. The only realistic solution is to sell RMU to a private utility company, one that will have to go before the PSC to justify raising electric rates 75% in only eight months.

You would think that with all the hoo hah about economic development in Rolla the RREC and the Chamber of Decorators would scream bloody murder when RMU jacks up the cost of living to make us the most expensive cost-of-living small town in the state. Electric rates of **10¢+** per kWh are a real turn-off for business and industry. What idiot would move to Rolla and pay RMU's punishing electric rates when they can live and do business in a hundred other small towns that are just as eager to accommodate them but where utility rates are half of ours because the PSC exerts control and demands accountability from the people who run the utility companies?

In '03 the RMU rate was **5¢** per kWh. By September it will be over **10¢** per kWh. In just three years we've had a **100%** rate increase. Have costs really gone up that fast? In the next NSN we'll look at the real reason behind RMU's runaway electric rates and why the development crowd isn't saying anything about it. Meanwhile, take a look at the comparison of residential rates between RMU, Intercounty and Ameren UE.

RMU Electric Rates vs Intercounty Electric & AmerenUE Rates

RMU Rates Starting June 1, 2006

Kwh usage for 30 days	RMU Availability Fee	RMU Charge	* Rolla Franchise Tax	RMU Total plus Fran Tax	Intercounty Availability Fee	Intercounty Total Charge	Intercounty Franchise Tax	AmerenUE Availability Fee	AmerenUE Total Charge Winter rate	AmerenUE Total Charge Summer rate
1000	\$10.00	\$100.00	\$5.00	\$105.00	\$16.20	\$80.20	N/A	\$7.25	\$57.05	\$83.65
1500	\$10.00	\$136.00	\$6.80	\$142.80	\$16.20	\$112.20	N/A	\$7.25	\$75.35	\$121.85
2000	\$10.00	\$172.00	\$8.60	\$180.60	\$16.20	\$141.70	N/A	\$7.25	\$93.65	\$160.05
2500	\$10.00	\$208.00	\$10.40	\$218.40	\$16.20	\$171.20	N/A	\$7.25	\$111.95	\$198.25
3000	\$10.00	\$244.00	\$12.20	\$256.20	\$16.20	\$200.70	N/A	\$7.25	\$130.25	\$236.45

RMU Residential electric rates: Starting June 1, 2006

Service Availability charge	\$10.00
First 1000 kWh	9.0¢ per kWh
Additional kWh	7.2¢ per kWh
Rolla Franchise tax	5.0 percent

Intercounty Residential electric rates:

Service Availability charge	\$16.20
First 1500 kWh	6.4¢ per kWh
Additional kWh	5.9¢ per kWh

Ameren UE Residential electric rates:

Service Availability charge	\$7.25
First 750 kWh -Winter rate	5.42¢ per kWh
Additional kWh -Winter rate	3.66¢ per kWh
Summer rate (June -Sept.)	7.64¢ per kWh

* This does not include the franchise tax for water and it's \$6.00 availability fee.

THE ELECTION

We congratulate **Bill Jenks** on winning the election. We also congratulate **Gary Hicks** and **Tom Sager** on running and keeping the focus on *other* issues of importance to all the other people in Rolla. All three candidates stayed out of the ditch and that's a very good thing. It's been eight long years since there has been any discussion of quality of life issues that affect the whole community. This was a refreshing beginning to a dialogue that needs to be continued.

We hope that **Mayor-elect Jenks** will not let the attempts of **Steve Sowers** and **Matt Williams** to cast him in the 'Morgan mold,' influence his attitudes and conduct as mayor. The Morgan Revisionist Movement - painting Morgan as the Great Leader and Visionary of Rolla - is ludicrous. They'd show more respect for their friend if they would let Jenks be Jenks and not try to make him a "Joe Jr." clone. He would be ill-advised to try to wear the divisive Joe Morgan's hob-nailed boots.

It wouldn't take much for Jenks to get generally good marks if he remembers that as mayor he now has the care of 17,000 people of all incomes and all backgrounds not just those few he associates with and knows by name. While they are not all what **Elizabeth Bax** calls "the quality people" - those she told the council RREC wants to attract to Rolla - they are, nevertheless, our neighbors and members of our community. They also pay taxes, perform essential jobs and they are entitled to as much consideration from their own government as her "quality people."

The next few months will be Jenks' "honeymoon" period and it's full of opportunities if he will use them. There are some things we would like to see the new mayor do for all the people (regardless of their ranking on the Bax "quality" index) to signal that he isn't just RCDC's 'boy' or "Joe Morgan Jr." We'll start with this one:

Get City Hall out of its mental bunker. Saying you have an "open door" doesn't cut it. Joe said he had an "open door" but then he slammed it in everyone's face and routinely did as much of the public's business as he could behind closed doors. If you mean it about your 'open door' start with this. Get the negative message - the Morgan Anti-Speech Rules - off the council agenda. No mayor has the right to run roughshod over citizens who try to talk to their own elected officials. Why can't a citizen speak to the council about something that's on the council agenda? Why doesn't City Hall want citizens to take an interest in their own government? Why wouldn't you want them to speak before the meeting about what is on the agenda or before an ordinance is passed and perhaps point out a mistake *before* you make it? What is City Hall afraid of? If you learn the Sunshine rules and resist the impulse to sneak behind the taxpayers backs to spend their money we may differ with you on issues but we'll give you high marks for integrity in office. The most common trap mayors fall into is they start believing the people who flatter and fawn over them because they want something for themselves. You know of course that you're safe from exposure by the Rolla Daily News as long as you toe the party line, but you're not safe from us. The smart play is to follow the law and deprive us of the opportunity to jump your case for breaking the laws you gave your personal oath to uphold.

Judge Storie gets a "do-over" on the Buehler Park case. On May 12, the Missouri Appeals Court tossed Judge Storie's hasty dismissal of the Buehler Park case back in his lap and told him judges are supposed to hear the evidence *before* they make a decision. Storie missed that class in Judge's School. The interesting part of Storie's reprimand by the Appellate three-judge panel was contained in this warning: "**It is also important to note that in *Buehler Park I*, this Court did not specifically address the issue of whether a dedication of the park had occurred.**" Whoa, hold on Horace. Hasn't ex-Mayor Morgan, Lawyer Beger, and the Chamber been claiming for years that the Appeals Court had already decided this question in their favor? Wasn't that Morgan's excuse for repeatedly getting the council to put Buehler Park up for sale? Maybe the council should start reading these decisions themselves.

Just ask Scott. While looking at the list of the Chamber's board of directors we were surprised to find the name of city employee **Scott Caron**. Scott is the **Rec Center Director**, the so-called 100% recapture "public" facility which perennially requires a bail-out by Rolla's taxpayers - \$809,000 to date over just the last four years. We wonder if Scott was at all uncomfortable when, as a member of the Chamber Board, he voted with them last month to "permit" his employers, the Rolla City Council, to spend more public tax money to buy the \$511,000 Forestry property for the Chamber's benefit? Was Scott even a little bit uneasy when as a member of the Chamber board he later sat down to 'negotiate' with Butz for the city make the payments on the property for the first seven years out of the city's general revenue fund because (they claim) the Chamber can't spare a dime of the \$230,000 a year they get from the Tourist Tax to make the payments? Did it occur to Scott that in demanding the city use the city general fund to subsidize the first 7 years payments that he will need those same taxes for the annual bail-out of the Rec Center?

If the council wants to know the Chamber's true financial condition and if they want to find out if the rumors about the Chamber's financial problems are true they only have to ask Scott to nark on his Chamber friends. Scott has a big-time Conflict of Interest, the Mother's Milk of Rolla politics. That's why he shouldn't have accepted the position, that's why his bosses shouldn't have allowed him to take it, that's why they should make him resign from either his city job or the Chamber board.

Come to think of it, how many members of the council (Barklage is one) who will be voting on the \$511,000 Chamber bail-out and the 7-year Chamber subsidy for the Chamber bail-out, are also dues-paying members of the Chamber? **Councilmember Wiggins** said she won't vote on this issue because she is employed by the Forestry Service. Good for her. Now let's see some ethics from the rest of them.

Harvey-think. Buz Harvey wrote a letter to the editor last month chastising all those who are guilty of politically incorrect thinking a.k.a. The World As Buzz Sees It. The Chamber of Decorators does so do something Buz says. They 'support' charity stuff like the United Fund. (Funny, but a few days later when the chairman of the United Fund wrote her obligatory thank you letter, she didn't mention the Chamber.) The

conclusion we are supposed to draw from Harvey's defense of the Chamber is that their 'support' of some charities justifies the **\$290,000** building the city tourism tax has paid for, their annual **\$230,000** Tourism tax subsidy, their demand for the **\$511,000** purchase of property by the city to provide their Chamber Estate-on-the-Hill and another **\$250,000** to develop the property for them. OK, but the Lions, Optimists, local churches and other community organizations also do charity work, they do a whole lot more of it than the Chamber but they never use their good works to claim they are entitled to have the public treasury endow them with a half million dollar estate now do they?

The Chamber Tourism contract has accomplished only one thing in 13 years - it has perpetuated a tax-subsidized club of dilettantes who have finally admitted they haven't accomplished a thing but nevertheless want bigger public tax subsidies to do more nothing. Left to their own devices this insignificant social club would have died out years ago. Living on the public dole and 'supporting' a few charities may be what this Chamber of *Decorators* does but it isn't what a Chamber of *Commerce* is

SMARTER USES FOR THE TOURIST TAX

OOPS! It was pointed out by **Councilman Magdits**, that our suggestion in our 3/17/06 issue that the Tourist Tax (Hotel/motel tax) be taken back by the city and used for economic development wasn't possible. Magdits admitted that the part of Rolla's city ordinance (Sec. 37-55) that says the tax can also be used for "... *programs for the fostering and development of manufacturing, industrial, retail, scientific, educational and business enterprise, and economic development in the City*" doesn't conform with state law. Magdits said that the state law doesn't allow the Tourist taxes to be used for economic development and all those other things despite the fact that someone got the city to put it in the city ordinance which the council, as usual, passed without question.

What RSMo 94.830 does say is (and you can take this to the bank), "...*and the proceeds of such tax shall be used by the city solely for funding a convention and visitors bureau which shall be a general not-for-profit organization with whom the city has contracted, and which is established for the purpose of promoting the city as a convention, visitor and tourist center.*" So, the tax does have to be handed over to *some* general not-for-profit organization (but not necessarily the Chamber) that has a contract (but not one for 25 years) with the city to promote the city as a "convention, visitor and tourist center." Notice it does NOT say there has to be a \$290,000 building with a "Visitor's Center" sign on it so people can get a Branson brochure, the law only says *some* non profit corporation has to say they will be the "*convention and visitors bureau*" and "*promote*" the city (whatever that means) as a convention and tourism center. With the Chamber having done little more than feather their own nest for the last 13 years the performance bar is not set very high for anyone else.

Who can the "general not-for-profit organization" contractor be? It can be any person or group of persons that are incorporated as a "general purpose non profit corporation." That could be any one of our excellent local service clubs who actually *do* raise money for the community but unlike the Chamber, never ask for anything from the taxpayers as repayment for their charitable work. Once you break out of the

supposed to do. A Chamber of Commerce is supposed to protect commerce from oppressive government laws and policies that harm business such as the outrageous RMU utility price increases. Has the Chamber said a word about the disastrous impact RMU prices will have on local small business? City Hall has plenty of laws that oppress business but the Chamber never speaks up in defense of their members. The Chamber gave up their independence when they took their first Tourism contract payoff in 1993. They sold out to City Hall when they demanded the sale of a public park for their sole benefit. No amount of Chamber civic boosterism or token support of local fund drives will salvage their threadbare integrity or restore the backbone they need to carry out their original purpose – protecting small businesses from burdensome public policies. Rolla has plenty of groups that are organized for civic and charitable work. Why should we continue to subsidize the Chamber with millions in land and cash for doing what others do purely out of good will and without expecting million dollar tax handouts?

mindset that the Tourism tax is a Chamber birthright, all kinds of interesting and better possibilities arise. The non profit contractor to run the visitor's "bureau" could be any **church** with a non profit corporation or the **United Fund**, the **Boy Scouts**, **OATS** or the school district's **CORE** Foundation. What is a "bureau"? The law doesn't say what it is so it can be someone's kitchen table or a home office with a phone number listed as the "Rolla Visitor's Bureau." If a new "Tourism Contractor" didn't blow all the money on building a top-heavy bureaucracy with Executive Directors, Tourism Directors with all the other perks and doodads, there would be a lot of money to spend on something that might actually be useful to the public in general and not just to one small do-nothing club.

This idea came from one of our readers, a Rolla business owner who concluded long ago that the Chamber does nothing to help real working business owners. His idea: The **Friends of the Library** could bid for the contract and designate the **Rolla Free Public Library** as the *Rolla Tourist and Visitor Information Bureau*. They could hand out Branson brochures from there. Being an 'information center' for visitors about tourism or anything else is a natural activity of librarians – they're all about information all the time. As the orphan public service of Rolla the library could put that tax money to good use. (Send us any ideas you have for how \$230,000 a year could be put to better use.)

Even the RREC could be the new "bureau." They're close to the end of their own five-year public tax subsidy. They can pretend to be promoting Rolla as a "convention, visitor and tourist center" as well or maybe better than the Chamber has been pretending to do for 13 years.

If the council doesn't have the nerve to cut the Chamber off cold turkey they can leave them 10% to hand out Branson brochures to "visitors" but bid out the other 80% to a non profit "bureau" who will use the money for more community benefit.

More and smarter uses for the Tourist Tax. Let's not be coy about this Tourism Tax law. The "tourism" part was never anything but another economic development pretense by the

state. It was just the state's way of letting cities have a new local tax because taxing strangers was a very easy tax to get the locals to pass. Other cities however knew it was just a ruse so they used their "tourist" tax money for local purposes, they did not simply hand a big check over to their local Chamber so they could spend it on Directors, offices, conference rooms, staff and all the window dressing of a corporate organization.

In 1998, **Springfield, Mo** passed a 2½ ¢ Hotel/Motel tax but they were smart about how they used it: 1.5¢ goes to their *Downtown Civic Park*, 1/2¢ goes to *The American National Fish & Wildlife Living Museum and Aquarium*, 1/4¢ for two ice skating rinks, and 1/4¢ to provide matching funds for the *Discovery Center*, the *Landers* and *Gillioz Theaters* and the *Dickerson Park Zoo*. They used their tourist taxes for things that benefited the whole community and incidentally, any tourists who might be passing through. It also relieved their city budget of part of the upkeep for these facilities. They don't even bother to pretend to have a "bureau." Other cities did give some of the money to their local Chamber but none were dumb enough to give them a 25-year exclusive franchise.

With all these appealing possibilities which could have spread the benefits of the tax all over the community, why did the city give the contract - and \$1.5 million to date - to the Chamber of Decorators? Because **Col. Ed Owsley** bullied them into it, it was *his* tax and *his* Chamber and he wanted the money to build an office, staff and a headquarters for Ed Owsley. Owsley's no-bid contract was secretly signed by **Mayor Elwyn Wax** *the day before voters went to the polls to vote on it!* * The Chamber gang had their welfare check locked up before anyone else had a chance to submit a competitive bid. That's how the Rolla Kleptocracy works. In their view taxpayers have an obligation to subsidize their clubs.

(*Premature signing of Chamber contract:
http://www.rollanet.org/~rwnash/nsn_1_04.pdf)

Chamber hires a Director of What-We-Don't-Have-Any-Of.

There is nothing to keep the city from canceling their contract with the Chamber for non-performance and demonstrated incompetence. Non-performance has been the only thing the Chamber has done well for the last 13 years - even the Chamber admits it. Look at their record: They've spent \$1.5 million but they have not produced any conventions or tourism as the contract requires. After 13 years of doing nothing now they're finally ready to really ramp up on this tourism thing but first they had to have committee meetings to define the word "tourism" and figure out the difference between a "tourist" and a "visitor." Talk about an exercise in examining their own belly buttons... After this hairsplitting exercise **Chamber Director Linda Kuenzie** reported to the council, not just once but twice, that Rolla doesn't have anything to tour! So what was the Chamber's solution to admittedly having nothing to tour in Rolla? They HIRED A DIRECTOR OF TOURISM so she can spend our tax money to send people to Cuba and Steelville to spend money there. Brilliant, they're spending our money on a Director of

What-We-Don't-Have-Any-Of to get more of it for some place where we aren't. The Chamber board has earned a FEMA award.

What good does it do Rolla businesses to send people to Cuba and Steelville? Promoting Cuba and Steelville wasn't in the Chamber contract. Regional tourism wasn't in the ballot language people voted on and *promoting regional tourism is not allowed by the city's Motel Tax ordinance or the Chamber's contract with the city*. This very stupid idea is a measure of their desperation to keep their hands on the money and is in itself a violation of their contract. After doing nothing for 13 years while the Chamber of Decorators wasted \$1.5 million will the council just sit on their hands and let the Chamber violate the contract and go racketing off with another waste of money by promoting "regional tourism" for someone else? Does the council pave roads in Cuba or put in sewers for Steelville?

The covert meeting with the Chamber. The Chamber whined successfully for months for the council to have a private meeting with them to discuss amending the contract so city taxpayers will have to make the Forestry land payments for seven years for them out of the city's general fund. The Chamber knows that if they can get the council off in a corner they can get anything they want from them and then some. In public and in front of the cameras the council isn't nearly as pliable as they are in a cozy private setting. The council would have been smart to make them come to their regular meeting and make their pitch in public like everyone else has to do but the council is rarely smart about these things and the council doesn't consider the Chamber of Decorators to be just like everyone else - they're special people so they will get their special meeting. It will be held in the **Rec Center on May 9, 2006 at 5:30pm**. They are having it in the Rec Center where it can't be broadcast so no one can see or hear how this deal will go down. Nevertheless, it is still a public meeting and everyone is welcome to attend. Well, maybe not exactly welcome but still it's a public meeting and anyone can sit and watch the Chamber explain how after 13 years they're really going to get going now on this convention/tourism contract. You can also watch the council melt like Silly Putty as they buy-in to more grandiose tourism plans and promises of better results in the future.

The Chamber may or may not finally have the Chamber audit ready in answer to continuing requests from **Councilman Wiggins** for a complete Chamber audit, which has been promised for months but still hasn't appeared. Kuenzie keeps saying "they're working on that" but just haven't had time to get that little thing done. They really don't see what all the fuss is about public accountability, after all it's *their* money isn't it. That attitude is the most compelling reason for the city to quit giving public money and doing public business with any private non profit corporations. If any corporate club wants to spend public money they should be required to disclose everything. The council, in fact, should make that a condition in every contract with all dilettante, non performing, non profit corporations. No performance, no audit - no cash.