

Pataki should order investigation

Fresh on the heels of the Suffolk County fiasco surrounding the acquisition of leased cars, using a "Request for Proposal" (RFP) in place of the bidding procedure, the State Metropolitan Transportation Association (MTA) is immersed in the same kind of situation.

The MTA intends to purchase 114 new double-decker commuter cars for the Long Island Rail Road (LIRR). Instead of going out on a bid, they used the RFP process. Last week it was announced that they intended to award the job to Mitsui and Company, a Japanese firm that would manufacture most of the parts and components in

Kobe, Japan, with assembly at the firm's Yonkers plant. The earthquake that ravished this city has put the awarding of the contract in question job on hold. The extent of the damage to the Mitsui facilities there could have a dramatic impact on its ability to live up to the terms of the contract.

When word leaked out that the job was to be awarded to Mitsui, attorneys for American Coach and Car, which, if awarded the contract, intended to build these cars at the soon to be vacated Grumman facility at Calverton, cried foul and alleged wrong doing. Assumptions made and released by the MTA staff were rebutted by the American coach attorneys. They have alleged that

the procedure used regarding the proposal after the fact favored the other two vendors. They claim the MTA allowed Mitsui to lower its bid to be more favorable, although the contract precluded this as an option. American Coach and Car then countered with their own new offer and reduced their price by \$10 million, bringing the final price in \$4 million under Mitsui. They also offered a guarantee of improved delivery dates and agreed to penalties if they failed to produce on time.

American Coach and Car's intent to utilize part of the former Grumman site at Calverton for engineering and assembly is of vital importance for Long Island, most especially for Suffolk

County. For the LIRR contract alone, they would employ at least 200 Long Island skilled workers and engineers. They project that this work force would grow to 600 or 700 by the end of the century as more contracts are secured and the facility is enlarged. American Coach builds railroad cars for countries around the world; the potential for future jobs and economic benefit is great. The use of Calverton for railroad car assembly realizes the long-sought goal of securing diversified manufacturing firms to replace the defense industry, which has abandoned Long Island.

Governor George Pataki should order a halt to the awarding of the LIRR contract and order, as has been requested by business and elected officials, an independent review of the entire process which led to the designation of Mitsui as the preferred firm. If the Suffolk County car lease program smelled, this one stinks to high heaven.

The LIRR not only derives its revenues from the fares they charge their passengers, but it is also substantially subsidized by the state, county and local governments. Long Islanders have long endured the problems of travel on the LIRR. Now, when the LIRR can give back to the community, can be a partner in the quest for economic growth, they turn their back on us and thumb their noses at our needs? We have enough problems living with the arrogance of the LILCO administration. We're not going to take any more.

Pataki does not need a scandal at the start of his administration. This has all the makings of being a major scandal, and Pataki should stop it before it happens. Get to the bottom of the matter; seek out the truth. Order an independent review and, if needed, a special investigation immediately.

And why not?

Playing poker with our \$\$\$

The Suffolk County Legislature and the Suffolk County District Attorney are in a fierce game of show-down poker. Both branches of government are involved in investigating possible wrong doings and corruption over the infamous Gaffney lease deal for a fleet of vehicles for Suffolk County.

The county executive, instead of using firm, outright bid proposals used a mechanism called "Request for Proposal," or RFP. RFPs are for intentions to bid. They are subject to change and manipulation and can favor a supplier without a true bid.

RFPs came into favor during the development of the computer era. There were so many variables in the establishment of software for computers that general proposals were sought subject to change and unforeseen needs.

RFPs might have fit this particular utilization, but they do not fit for the purchase of hardware, durable goods or machines that are intended for a specific purpose in a defined schedule.

RFPs, as we have seen with Gaffney's lease deal, have too much room for human manipulation. How much manipulation there was in the county deal is the subject of the ongoing investigations and the investigation of the investigators. Both the legislature and the district attorney have had special counsel appointed to investigate the deal. Both are using monies raised by taxes. The dual investigation may be counter-productive, a duplication of effort and a waste of our precious resources.

This past week, both parties of government announced that they wanted

to up the ante. They wanted more funds for more staff for more investigation. They want to waste more taxpayer monies. This escalation, the raising of the ante, should have been capped at the beginning.

The truth should be known. If there are culprits, they should be exposed. But, we are beginning to wonder at what price. If someone is eventually found guilty, should the cost of these investigations be part of the fine that must be paid personally by the individuals?

We live in a litigious society. We are sick and tired of it, particularly when the bill must be paid by the innocent. Everybody is talking about reforming government, why not start right here in Suffolk County?

And why not?

Another county bus bidding delay

When the Suffolk County Legislature recently approved long-stalled legislation requiring the county to seek competitive bids for the bus routes in its county transportation system, we were pleased, but also apprehensive. Approval of a law is one thing, putting it into effect and enforcing its requirements is another.

That concern was based on the history of the subject. Suffolk Life has long called for the bus routes to be placed out to bid, rather than the system of contracting with individual bus companies. It was our belief, and still is, that the county could save taxpayer dollars through competitive bidding. Opposition to the proposal came not only from bus company operators, as one might expect, but also from some legislators and the head of the county's transportation operation. In fact, when the subject of competitive bidding first came up and began to receive support, the county's transportation department extended the contracts with the bus companies for three years, effectively stalling progress on the bidding proposal.

In his budget message of 1994, County Executive Robert Gaffney

vowed to pursue competitive bidding for county buses in an effort to seek economies. The county's Department of Public Works prepared and sought Requests for Proposals (RFPs) for three routes to used as a pilot program for the bidding process. But when those RFPs were returned, the DPW rejected them. Instead, DPW indicated it intended to go out for bids, rather than RFPs, but has failed as yet to do so. Gaffney's promise sounded good at the time, but promises made and promises kept are a long stretch apart.

It didn't surprise us when the threat came last week by four bus companies which operate 10 county contracted routes that because the county would not renew their contract, they would have to raise rates. These routes are funded by the state, but under contract with the county, and keep the fares collected. These bus companies claim if they do not have a county contract, they are not eligible for state aid, and would need to increase fares to offset that loss. Other county routes operate differently—they receive the buses from the county, get maintenance costs, and a profit margin as well.

The threat of increased rates had some legislators scurrying around seeking alternatives. Others considered the threat "political blackmail" in protest of the bidding bill. Presiding Officer Donald Blydenburgh even tried to get Gaffney to veto the competitive bidding bill until a resolution could be worked out. To his credit, Gaffney chose not to do so. Had he vetoed the bill, we suspect there would be a long delay until that legislation ever passed again, considering the political opposition the bus companies have been able to muster.

As an alternative, the DPW has arranged a nine-month extension with the four bus companies to continue operating the routes until the matter can be resolved. Quite frankly, we think nine months is too long a time. Surely the county should be able to get its act together and prepare bid specifications and start the process much sooner than that, if they really wanted to do so. But we've waited so long for the county to act on this matter, we, and the taxpayers, will simply have to see how this plays out. At least the nine months is not as bad as the three-year contract extension stalling tactic of the past.

During the nine-month delay, however, it would be in the taxpayer's best interests for the county to conduct a review of its entire transportation system, to look for efficiencies that can be made, where service can be improved and, perhaps, expanded or cut back without impacting the public which depends on public transportation.

We have said before that the current investigations into the controversial county car leases should be expanded to look at the county's bus contract system. If rapid progress is not made in implementing the bidding process, under the terms of the new law, a special investigation of this matter alone should be conducted.

It has been proven that when transportation is put out for bids, rather than simply renew contracts which too often leads to sweetheart relationships, taxpayers dollars are saved. The taxpayers should not, and we certainly won't, accept any further delays in cutting these costs. Let's get on with it!

And why not?

Questions on LILCO takeover

The proponents of a public takeover of the Long Island Lighting Company (LILCO) are actively pursuing this idea. Now that the takeover is not a political ploy, as was former Governor Mario Cuomo's scheme just prior to the election, it is time for all of us to question the proposal logically, and for the proponents to provide the answers.

Should the Long Island Power Authority (LIPA) be the vehicle for the takeover? Before a takeover is initiated, should the members of the LIPA Board of Directors be elected by the ratepayers? The original legislation required the members of the board to be elected within three years

of the enactment of this legislation. Cuomo maintained control over LIPA by having the elections postponed twice.

Assemblyman Paul Harenberg (D-Oakdale) has promised this year to introduce the necessary maps for the establishment of districts for the election of the members of the board to take office on January 1, 1996.

Is it in the ratepayers best interest to take over the entire company? Is it in the ratepayers best interest to not only pay the stockholders for their shares, but assume the responsibility for paying the bondholders and assuming the rest of LILCO's debt?

Would it be in the ratepayers best

interest to have LIPA only condemn the distribution and transmission lines and be involved in the wheeling and marketing of electricity over the system? LIPA then would be free of the LILCO debt. It could buy electricity from LILCO, if it was competitive, or go to the outside and purchase the most competitive power available. In pursuing this option, they should predetermine what the expected cost of litigating would be and whether the courts would render this move anticompetitive to LILCO. They also should explore ignoring LILCO, but replicating its distribution and transmission facilities with modern up-to-date, inground or

aboveground facilities and the cost of the system to be electrically competitive to Long Island.

The state should explore the consequences of floating the huge amount of debt on the rest of New York. Would our debt limit come into peril? Would our debt rating be lowered by such a huge undertaking?

Could the current work rules governing the LILCO employees be renegotiated, or would we be saddled with the same restrictions that has resulted in LILCO being the least productive utility of all northeast utilities? The Rothchild Report clearly pointed out this weakness. The Long Island Lighting Company produces the least amount of electricity per employee of all the northeast utilities.

We all know that government generally does a lousy job of running an operation. Why should we believe that a publicly-owned power authority would do a better job than other government-owned facilities, even LILCO?

What is the best case scenario that gets the burden of unaffordable electrical rates off the ratepayers' backs? LILCO obviously has no intention of cleaning up its act. The board of directors and particularly the chairman are content to go along with the current system. The mismanagement is not penalized; in fact, it is rewarded. The chairman's salary was just increased by \$55,000 per year.

The LILCO Board of Directors have used the windfall rate bonuses they received for Shoreham to reward the investors, propping up the stock above market value instead of reducing the debt and the cost of electricity.

LILCO personnel have called this office and said that the management had fallen back to the pre-Gloria days and are again allowing the system to deteriorate and have stopped preventive maintenance and procedures.

The LILCO rates have had a disastrous effect on the ratepayers' ability to survive on Long Island. The rates have been a contributing factor in forcing businesses to move, taking productive workers with them.

Governor George Pataki so far has not indicated that LILCO or the plight of the Long Island ratepayer is a main priority of his administration. His choice of Harold Jerry as the temporary chairman of the Public Service Commission (PSC) has sent the wrong signal. Jerry, as a commissioner since 1973, was part of the problem. We don't see him as part of the solution.

Yes, a public takeover of LILCO is a very real possibility. It could work for the public or it could be a disaster. We need change and we need solutions, but we don't need the wrong one. Someone has to get to Pataki and fast. They have got to make him aware of the crisis here on Long Island. It's what killed Cuomo, and it could either make Pataki, or he too could become a victim.

And why not?

Hurts middle income

It's not a rich man's tax

The capital gains tax is misappropriately known as the rich man's tax. The common concept of a capital gains tax is that it applies only to the very wealthy who buy stocks low, sell them high or invest in real estate and make huge profits.

The capital gains tax is very much a middle income tax. Outside of the inheritance tax, it is one of the most unfair taxes that we have to face.

In most cases, our home is the most valuable part of our estate. Typically, a home was bought 15 to 30 years ago. We paid \$20,000 to \$50,000 for it. Due to inflation and, in some cases, changing real estate values, the home now is probably worth from \$100,000 to \$400,000. Inflation has probably been responsible for 70% to 80% of the increase in value.

During the time of ownership, we probably have done numerous things to improve the value of the house, in addition to regular maintenance of the structure itself, most noticeably painting and repairs. We put in lawns and gardens, which we fertilize and maintain. These items are not considered capital improvements and, therefore, cannot be included in the investment of the property even though they go a long way toward increasing and maintaining the value.

When we start to plan our retirement, we look at the difference between what we paid for the house and what we can sell it for. With capital gains, Uncle Sam, grabs 28% of the difference of what we paid for the house and what we sell it for, and inflation is not allowed to be a factor. This takes a heck of a whack out of our retirement planning and gives us nothing in return.

The Democrats are fiercely fighting a reduction in the capital gains

tax that is being sought by the Republicans in Washington. The Treasury Department announced it cannot even consider a factor for inflation, when determining the capital gains. They say we can't afford it. Hey, Treasury Department, we is us, the people of the United States. We are the ones who are being squeezed and we, the citizens, can't afford the Treasury Department's attitude.

Sure, a reduction in the capital gains tax will benefit the rich, but, because of the sheer numbers of middle class people in the United States, our collective benefits will dwarf the rich by probably nine to one.

Advice to congress

Do unto yourself without loopholes

The new Republican Congress did. They passed sweeping legislation forcing Congress and all other federal agencies to come under the same laws that they have imposed upon the American people.

Workers in the federal government now are covered by the same workplace laws as those in private industry. They are subject to labor laws, wage and hour requirements, OSHA (Occupational Safety and Health Administration) standards, sexual harassment laws and the rules governing the underprivileged and the disabled.

Although Congress passed these rules, or allowed the rules to become law through regulation, they have been exempt from their impacts in the past. It was easy for these congressmen to sit on their protected perch and say to the private sector,

We are sick and tired of the attitude of class warfare that has developed here in America. We are all in this country together. We all should strive to improve our economic position. There is nothing wrong with being rich, having worked to get there. If there weren't people with higher incomes, there would be no reason to strive to get there, too.

A reduction in the capital gains tax would be good for all of America. It would encourage investment. It would encourage buying and selling and it might give an opportunity to people to get rich by investing.

And why not?

"You will do or else." Now, they have to live under the same umbrella and be subject to the same lawsuits as the private employers.

Unfortunately, they fell far short of the goal. If an individual congressman or a head of a department violates the law, they are entitled to a defense paid for by the taxpayers. That's us, folks. If Mr. X Congressman asks his secretary to go to bed with him or is engaged in any other kind of offensive behavior, we, the taxpayers, are forced, under the law, to defend him. If he is found guilty, and must pay damages, the taxpayers foot that bill too. This is wrong. If Congress is serious about their Contract with America, they better rectify this shortcoming in a big hurry.

And why not?

Do we need another ferry?

For years, there has been a planned ferry or a bridge from the end of the William Floyd Parkway to Connecticut. Every few years, new proposals are floated, most requiring a massive infusion of taxpayers' capital to bring the project to reality. These projects are studied to death and then die from a lack of capital.

The current new ferry proposal creating a controversy calls for a terminal to be built on the site of the former Shoreham nuclear power plant. The group that backing the current proposal is not looking for governmental subsidies, it just wants support. The mayor of New Haven, the Connecticut juncture site, is in full support.

LILCO (Long Island Lighting Company) owns the property and has stalled negotiations. The latest LILCO ploy was that it would not enter into negotiations until the project had the blessings of the county.

A resolution in support of this project was voted upon last Tuesday and was defeated by legislators. Residents of Shoreham and Wading River, who had feverishly embraced the Shoreham nuclear power plant, lobbied and spoke out loudly against the proposal. Most who spoke out at that meeting were opposed to the new ferry plan since the opposition has organized its efforts. The views of the general public have not yet been heard.

We believe the Shoreham residents were shortsighted in their opposition. The Shoreham nuclear power plant is just a short distance east of the William

Floyd Parkway. The terminal does not invade the Village of Shoreham. It is doubtful a ferry terminal in the area proposed would disrupt traffic within the village at all.

Shoreham is losing millions of dollars it once received as being host to the Shoreham nuclear power plant—tax monies that are going to have to be made up through massive cuts in education, fire services and other governmental services. The terminal could be a very large and healthy taxpayer.

The Budget Review Office of the Suffolk County Legislature issued a report neither downplaying nor encouraging the creation of the ferry terminal. It basically took a neutral stance, saying that the ferry line would not be profitable for 10 years. Since the ferry operation is to be financed by private capital, if the entrepreneurs wish to risk their investment, it is up to them to shoulder that risk.

Most of us who have lived on the East End and in the mid-portion of the Island find it extremely difficult to get off the Island. Currently, the Island is served by one ferry company running from Port Jefferson to Bridgeport. A second ferry company operates from Orient Point to New London. Oftentimes, there are lines, long lines, and unless you have made a reservation well in advance, it is impossible to use these services.

Opponents of the Shoreham ferry claim that the new and faster ferries that would be employed at Shoreham would drive the other two lines out of business. We doubt it. In fact, the competition could bring about better service and better rates from all three locations.

No public money is being risked. This is a private venture that could benefit both Long Island and Connecticut as it will give us a better link than we have had in the past. Both Connecticut's and Long Island's economy would be stimulated by more cross-Sound trade.

We believe the Suffolk County Legislature acted too hastily in bringing this issue to a vote. The legislature did not allow adequate time for both sides to flush out all the information needed so a rational decision could be made. The legislature, as it often does, reacted to pressure from a small group of local advocates or opponents, who have honed

their lobbying skills through past battles and can make the legislature dance to their tune anytime that they deem fit.

We think this issue affects everyone within the county, not just those whose backyard it is proposed to be built in.

You should have a voice in this decision and for that reason we are giving you an easy opportunity to express it. Printed below is a ballot requesting the Suffolk County Legislature to reopen the issue. If you would like to see more debate on this subject and a possible re-vote, clip it, sign it and send it today.

And why not?

Shoreham Ferry Survey:

Dear Legislature:

I respectfully request that you reopen the issue of the proposed high-speed Shoreham ferry. Please call for a public hearing on this issue, inviting both sides to make a complete presentation as to the pros and cons.

Signed: _____

Name: _____

Address: _____

Town: _____

Please send your coupon to: The Clerk of the Suffolk County Legislature, Legislature Building, Veterans Memorial Highway, Hauppauge, NY 11788.

Raises should reward productivity

Most Long Island, LILCO (Long Island Lighting Company) ratepayers are totally teed off by Chairman William Catacosinos' \$55,000 raise, boosting his annual salary to \$633,809. Most families on Long Island do not make \$55,000. Note, we said families, the combined income of the husband, wife and children working.

Our economy stinks because of the high LILCO rates and real estate taxes. Very few people in the last four years have seen meaningful raises, yet the chairman of LILCO has his salary increased by almost 10%.

Raises are supposed to be the result of increased worth and productivity. Let's look at LILCO under the management of Catacosinos and see if the company has profited from his management.

LILCO's rates are the highest in the nation. The physical plant is deteriorating. The morale of the employees is at a low ebb. Electricity is electricity. The average cost of a kilowatt, nationwide, is less than nine cents. Many utilities generate, transmit and operate the utility at less than seven cents a kilowatt hour and, yet, are still highly profitable. LILCO averages over 17 cents per kilowatt hour. High rates do not benefit the consumer. They are anticompetitive, driving businesses and jobs away. Based on this, Catacosinos gets an "F."

Let's look at the stockholders. Has Catacosinos done a great job for them?

LILCO stock has fallen from the high 20s to around \$15 a share. Within one year, stockholders have lost up to half the value of their investment. The investors should give Catacosinos an "F."

The windfall rate increases that LILCO got as a result of the Shoreham deal have been used to prop up the dividends. This artificial stimuli has cost thousands of jobs and brought unbelievable misery to the

customers LILCO is supposed to serve. These windfall funds should have been used to reduce the enormous debt of the company. This has not happened. Catacosinos, again, failed in just plain, basic economics.

LILCO is in deep trouble and sinking fast. It lost its best friend when Mario Cuomo was defeated. Hopefully, the newly-elected Governor George Pataki will totally replace all the commissioners in the Public Service Commission (PSC) with

consumer friendly advocates. The PSC will then bring competition into the picture and strip LILCO of its antibusiness, anti-consumer protection.

When LILCO is forced to face competition and no longer has the absolute monopolistic powers it currently holds, it will be too late to replace the chairman. Stockholders have a window of opportunity, and it is now, to oust Catacosinos and replace him with a real businessperson who knows how to operate in a competitive environ-

ment.

Stockholders should be good and ticked off, having seen their investment halved and knowing that under the current management, the bottom is not in sight.

Raises in salary should be based on competence and productivity which lead to legitimate increased profit. The LILCO board should review its recent raise for Catacosinos and, in fact, cut his salary to reflect his contribution to the company.

And why not?

Chilling arrogance of power

A bombshell has hit the educational scene in the Sachem School District and the municipal world of Northport Village, one which could also reach out into other areas. It has been charged, and police and district attorney investigations are currently being conducted into the allegations, that the criminal justice record system was illegally used to gather background information on a community activist who has been very vocal in regards to school financial affairs.

If these charges prove to be true, the implications are mind-boggling. Anyone who would dare to speak out against spending practices of school districts or municipalities could be subjected to the same kind of intimidation. Free speech goes out the window, replaced by the threat of retaliation. If the charges are proven to be true, anyone found guilty of wrongdoing should not only be held criminally liable, but should also be drummed out of the educational and municipal fields.

The charges, in a nutshell, come from a community activist from Nesconset who

has filed a notice of claim against all parties involved. The activist claims the superintendent, the village mayor and the village police chief were involved in utilizing the police department computer to research the criminal records of the activist to determine any criminal record. The research turned up the fact that the activist was arrested in 1971 on a criminal charge, which was later dropped. Soon after, the activist began hearing from people within the Sachem School District that rumors were circulating about his "criminal record." The superintendent of that district resides in Northport, and is reportedly a friend of the village mayor.

It is illegal, in fact a felony, to utilize the Department of Criminal Justice Service (DCJS) records to search out criminal records for anything other than a criminal investigation, and illegal to pass such information on to non-law enforcement individuals. When such a record search is made, the DCJS system maintains a log of all such inquiries, including the inquiring agency's phone number, which is how the Northport Police Department was identified as the source of the inquiry.

The impact of this matter goes far beyond the activist, who is charging defamation of character, invasion of privacy, violation of civil rights, abuse of public office, authority and position. If true, it is indeed all of that and much more. If true, it represents an arrogance of power that must be ended immediately.

Even if this was an isolated case of record checking, it would be an abuse of power; indeed, a prime example of "McCarthyism" as one incumbent Sachem board member charged. But this same board member also states that when he ran for the board about 18 months ago, the school's computer link with the Department of Motor Vehicles (DMV) was used to check out his DMV record, and that of his wife and two sons.

A full investigation into this practice is urgently needed. This kind of muckraking, if true, has no place in the educational arena. Is this an isolated instance or is the battle over educational financing taking a new turn to protect vested interests? Investigate! Now! Let the truth be known.

And why not?

Temporary must not be permanent

Suffolk County residents pay two temporary taxes—both sales taxes—one imposed by Democrat Patrick Halpin, one imposed by Republican Robert Gaffney.

Halpin, facing a financial crisis, asked for a temporary half-cent increase in the sales tax. Gaffney, as an assemblyman, insisted a provision or amendment be placed on the bill that would sunset (end) the temporary tax. A week-and-a-half later, Gaffney went on to defeat Halpin in the race for county executive. Faced with the same financial crisis, Gaffney requested an extension of the sales tax. During his first year in office, the financial crisis grew worse, and Gaffney asked the legislature for permission to raise Suffolk County's sales tax to 8.5% on a temporary basis.

Under the current tax structure, the state gets four cents of every dollar spent in sales tax. The county gets four cents. The MTA (Metropolitan Transportation Authority) gets one-quarter, and another one-quarter cent goes into pure water and land acquisition for environmental purposes. For every dollar that we as residents spend, we pay \$1.085.

The Halpin and Gaffney half-cent tax increases were to be temporary measures. They both are due to expire at the end of 1995. In order to be continued, the New York State Legislature must give its approval. The approval must be preceded by a home-rule message from the Suffolk County Legislature.

Gaffney wants the state legislature

to give up their authority and oversight. He wants the county to have the sole responsibility and authority to raise or reduce this portion of the sales tax, at will.

We believe that both half-cent increments should be repealed. The county has had six years to get its financial house in order. We were told that both of these sales taxes were only needed to avoid financial collapse. They were temporary in nature and were designed to get us over shortfalls in sales tax revenue caused by the economy.

The legislature and the county executive both had promised that they would reduce spending, down-size government and bring their financial houses into order. The economy has picked up. Sales tax revenues are up.

It's time for the legislature and the county executive to live up to their promises. They vowed the tax increase would be temporary, now is the time to end it.

We are 100% opposed to the state legislature giving up its authority over the county on sales tax issues. The legislature can hold local government's nose to the grindstone. They are an additional check and balance for the taxpayers. If the county legislature and the county executive no longer have this oversight, you can bet your sweet bippy that they will play politics with the sales tax, dropping it before election years and raising it when they are not up for re-election. State legislators should reject Gaffney's scheme.

And why not?

He's keeping a campaign promise

It should come as no surprise to anyone who followed last November's gubernatorial campaign. George Pataki crisscrossed the state with a very simple message: New York State government has grown too large, too costly. His prescription was to downsize.

The tax burden to fund the state government is the second highest in the nation. Our debt is 47th, higher than even Massachusetts, where governmental costs are often cited. We spend twice as much on education than the average in other states, yet we are at the mid-point on SAT (Scholastic Aptitude Test) scores.

Our cost of Medicaid is twice as high as California, a state that now has more people than New York. Within their cost structure, California serves 50% more people than New York.

Statistic after statistic points out that New York State is a big, fat, sloppy bureaucracy. It has consumed tax dollars at a rate faster than is safe or orderly. It is non-competitive because of its taxes and the ultra-regulations developed by the bureaucracy.

Pataki has started to address the problems. He is not taking a hatchet; he is using a scalpel. The cost of New York State government grew out of proportion because special interest learned how to work the system. These special interests, feathering their own nest, use as examples individual cases to create the illusion that the world will come to an end if their needs are not met.

The legislature has repeatedly given in. Led by a Liberal-Democratic governor, there were no adequate

checks and balances. Some of the cut-backs being proposed by Pataki will gore individuals and special interest groups. But unless these cuts are made, more businesses will flee New York; more productive workers will leave for more affordable states.

Pataki is on the right track. We hope he ignores the cries of the special interest and the liberal media that believe there is no end to the taxpayers' ability to fund. The federal government is downsizing. They are doing away with mandates and regulations. They are cutting projects that are of limited or no value. New York cannot expect to get from Washington what it once did. Pataki is making preparation to live within this state's means.

Counties, towns and school districts should be doing the same. These

three branches of government have increased their budgets enormously over the last 15 years. The growth in local spending has been astonishing. Are we any better off for it?

The people have spoken. They have put into office federal and state politicians who carried the banners of smaller government and less taxes. These newly elected officials are not faltering. They are doing what we told them we wanted them to do.

Our local elected officials should follow suit because when their turn comes up to bat, the new breed of politicians will be opposing them, people who appear willing to keep their pledge, keep their word.

And why not?

The handwriting is on the wall

The handwriting is on the wall for local school districts and municipalities. With both the federal and state levels of government sharply cutting spending, there's going to be a lot less money coming down to the local levels. School districts and town and county governments will have to face some difficult choices and do some cost paring of their own to survive.

Their choices are limited. No longer can they simply go back to the taxpayer to offset the loss of state or federal revenues. The taxpayers, who have had to cut their own spending habits to meet the constant escalation of the taxes, have reached the end of their limits. So, the schools and local governments have to look within to search out every potential savings possible. The day has dawned on a new way of doing things; the business as usual practices of the past are over.

Savings are very possible. A prime example of that came in early February in the Sachem School District where, after years of simply renewing contracts for the transportation of its students, the district put the transportation contract

out to competitive bidding. Unofficial information concerning the results of those bids showed a substantial savings for the district over the costs of the previous contract. Under the previous contract, Sachem paid \$49,537 for each of the 35 six-hour buses it utilizes. The bid price came in at \$38,800 for the same six-hour bus, a savings of \$10,737 per bus, \$375,804 for the 35 buses.

The district also utilizes 45 four-hour buses, for which it paid \$47,228 under the previous contract price. The bids came in at \$37,500, a savings of \$9,728 per bus, and a total savings of \$437,787 for the 45 four-hour buses. The low bidder over a four-year bidding proposal was the same company which had contracted with the district previously. The combined savings for the transportation under the bidding process was a first-year reduction of over \$800,000. The total savings over the four-year period will top the \$3 million mark.

A number of other school districts are going to the competitive bidding process to achieve savings. Miller Place, the most recent instance, reportedly

saved from 12% to 15% of its transportation costs with the recent opening of bids. Has your school district done the same? If not, why not?

Suffolk County government has finally, after years of dragging its feet and deliberate stalling, adopted a law calling for competitive bidding of the bus routes in its transit system. Now we'll have to watch carefully to see how quickly the county will move to initiate competitive bidding, or if some more foot-dragging will take place.

We asked an administrator of a school district once why the district did not seek savings through the competitive bidding process. The administrator responded, "We're happy with our current system." That happiness, however, came at the expense of the taxpayer. Business as usual habits are hard to break, until the well runs dry, and it has.

Competitive bidding, shared services, something that has worked well in both Babylon and Brookhaven towns between schools and town governments, and other joint cooperative programs,

are vital to meet the needs of current programs with reduced revenues. It's easy for administrations to cope with reduced revenues by quickly moving to cut services, usually those which hurt the people the most. Those that do so without searching out every other potential savings first are playing with fire, and an angry electorate that proved last November that they are not going to take it anymore.

Taxpayers have a responsibility as well. They should insist those who run their school districts and their governments search out the savings in a meaningful way. Political favoritism to certain vendors, patronage positions to reward political loyalty, the "we have always done it this way" attitudes are primary contributors to the skyrocketing cost and resulting tax rate increases.

Those who shoulder the tax burden must make it clear these practices must end, and new cost-cutting business practices are put in place.

And why not?