

Rates (PW)

Set public hearing for December 21, 2011, to consider adopting resolution setting pre-approved Engineering News Record adjustment index for usage-based and flat water rates.

D. Comments by the Public on Non-Aaenda Items

THE TIME ALLOWED PER NON-AGENDA ITEM FOR COMMENTS MADE BY THE PUBLIC IS LIMITED TO FIVE MINUTES. The City Council cannot deliberate or take any action on a non-aaenda item unless there is factual evidence presented to the City Council indicatina that the subject brouaht up by the public does fall into one of the exceptions under Government Code Section 54954.2 in that (a) there is an emeraency situation. or (b) the need to take action on the item arose subseauent to the agenda's beina posted. Unless the City Council is presented with this factual evidence. the City Council will refer the matter for review and placement on a future City Council aaenda.



Jane Wagner-Tyack spoke in support of the new treatment plant facility being staffed by City of Lodi employees and submitted a letter for the record outlining the same.

Jerry Glenn, representing Lodi Adopt-A-Child, encouraged the City Council and residents to participate in the annual holiday toy and clothing drive for the children.

E. Comments by the City Council Members on Non-Agenda Items

Council Member Hansen invited the public to Wags to Riches, a new thrift store, and the ribbon cutting on November 18, 2011.

Council Member Nakanishi provided a brief status of the State budget with respect to anticipated revenues and expenditures.

Mayor Johnson asked the City Manager to calendar a Shirtsleeve Session or regular meeting with the Lodi Animal Commission to discuss its most recent letter, which questioned the direction of the City Council for the Commission.

F. Comments by the City Manager on Non-Aaenda Items

City Manager Bartlam wished City Attorney Schwabauer a speedy recovery and return.

G. Public Hearings

G-1 Public Hearina to Consider Unmet Transit Needs in Lodi (PW)

Notice thereof having been published according to law, an affidavit of which publication is on file in the office of the City Clerk, Mayor Johnson called for the public hearing to consider unmet transit needs in Lodi.

Public Works Director Wally Sandelin provided a brief overview of the proposed public hearing to consider unmet transit needs as discussed in the staff report.

Mayor Johnson opened the public hearing and receiving no public comment closed the hearing.

No additional action was required at the present time.

G-2 Public Hearina to Consider Adoptina Resolution Confirming the 2012 Annual Report and Lew of Assessments within the Lodi Tourism Business Improvement District (CM)

Jane Wagner-Tyack
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(209) 365-1986

My comments relate to plans for **staffing** and operating the new water treatment plant.

I was unable to attend the August **30** and October **19** meetings at which you discussed these plans. However, I did watch the video of the ~~October~~ meeting, saw Mr. Sandelin's presentation, and heard your deliberations. I also requested and reviewed the matrix provided to you by Mr. Miller, but was unable to determine how he arrived at his rankings for delivery and quality.

In the interest of full disclosure, I will note ~~that~~ my ~~daughter~~ is a City employee. But part of her job involves managing Lodi's transit operations contract, so I know that the City is willing and able to administer contracts for services provided by private firms.

The League of Women Voters of the **United States**, of which I ~~am~~ a member, is currently doing a study of policy issues to be considered in connection with proposals to transfer government services, **assets** and/or functions to the private sector. The San Joaquin County League is participating in this study. **Consensus conclusions** reached will form the basis for League **action** and advocacy **on** the issue nationwide.

A major issue we have identified with privatization is transparency and **accountability** of private **operations**.

It is instructive that only two out of **six** firms that were **contacted** responded to the City's request for proposal, and ~~that~~ those two did not provide information in **all** areas requested. Apparently ~~this~~ was not a situation where **most** firms thought **they** could be competitive with the City **and** still provide profits for their owners or shareholders.

Some **goods** and services are most efficiently delivered by private firms responding to market cues. But market cues would not come into play in **this case** because you, the City Council, will **set** the rates. Southwest says it **can** provide the **services at** lower **cost** than the City **can**, primarily with lower staffing **costs**. Theoretically, **this** would allow you to set the **rates** lower, or in any case not increase them **as much** or **as soon**.

But Southwest never provided **all** the information ~~that~~ the original proposal requested. You have never **been** comparing apples to apples. Several of you have gone to Southwest's Mountain House facility to get more information on which to base a decision. **That's** commendable, but it really doesn't meet the **test** of public transparency. Southwest was not completely responsive to **begin with**, and you **need** to take ~~that~~ into account in addition to **cost** when you **consider contracting** with Southwest to provide **this** service.

Given a choice between the City and Veolia, whose proposal was more nearly complete, the costs are comparable, and the City **has** said it can meet Veolia's **figures**. This puts

you in the position of making a choice primarily on principle: Should government provide services that can be provided by the private sector?

One answer is that it depends on the service. Markets work for goods and services consumers can choose to purchase, or not. Clearly, that is not the case with water, a necessity for life. Markets are not very good for managing finite natural resources because they respond to short-term cues and operate for short-term advantage.

As Councilmember Hansen said, water is not widgets.

Stewardship of public trust resources is an appropriate role of government, and I was encouraged to see that several members of this council recognize that. Local government is not Big government. It is government accountable at the level closest to people and resources. Likewise, the greatest incentive to conserve a resource and manage it wisely lies closest to home.

Like many people who are not themselves the direct beneficiaries of the public employee benefit and pension system, I wish that system were smaller and less generous. However, I would rather see those benefits spent locally by public employees than have the rates I pay for services contribute to the executive compensation or investment portfolios of owners or shareholders somewhere else.

Because transparency in matters involving private provision of public services is so important, it is somewhat unfortunate that you are scheduled to make this decision at a 7 a.m. "shirtsleeves" meeting rather than at a regularly scheduled City Council meeting. However, it is clearly not your intent to avoid public scrutiny, an evasion of which another local governing body was guilty when it privatized a water service. You have been asked to make a decision quickly so that the plant can be staffed. I urge you to maintain maximum local control and accountability by staffing it with City employees.