

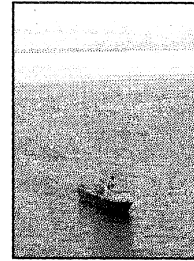
Local News

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Alaskan oil exploration is bringing lots of noise to whales' domain.

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News & Notes

Public Works on block

30 Oakdale workers would lose jobs under outsourcing proposal

BY KEVIN VALINE
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OAKDALE — The city's top officials are recommending that the City Council approve a plan that could lead to disbanding Public Works, laying off most of its workers and outsourcing its functions to private companies to

cut costs and save money.

The council is expected to consider the proposal at its meeting tonight.

Interim City Manager Greg Wellman and interim operations managers Stan Feathers and Dee Tatum are asking the council for permission to solicit private firms to take on Public Works' functions.

The plan calls for soliciting proposals for five of Public Works' six functions: parks, administration, streets and utilities, electrical systems

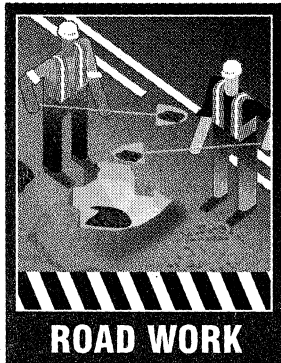
and waste-water treatment.

The city would keep the two Public Works mechanics who work in the city garage.

If the council approves the plan, the city would start with soliciting proposals for park operations this month and work its way down the list, ending with proposals for the waste-water treatment plant in December.

Public Work employees also could bid on the jobs as independent contractors.

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PLAN

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Thirty employees would lose their jobs if all five of the Public Works functions are outsourced. That's nearly a third of the city's work force of about 95 employees.

Oakdale is without a Public Works director. Joe Leach left his position Friday, after almost three years in that job.

Wellman, Feathers and Tatum acknowledge in a staff report that their proposal could have devastating consequences for the employees who lose their jobs, but wrote that their proposal is being driven by the economic downturn, city finances, and rising costs for employee health care and pensions.

"No one wants to do this," Wellman said in an interview last week. "But there is insufficient revenue to sustain current service levels."

May not outsource all

He added that even if the council approves the plan, not all of the services may be outsourced. He said the private sector may not be able to provide the same lev-

el of service as city employees at a lower cost.

Public Works has an annual budget of several million dollars.

The Operating Engineers Local No. 3 business agent who represents Oakdale's rank-and-file employees — including the 28 who work in Public Works — said privatizing Public Works seems hasty.

"I think it's very, very premature," Mike Eggener said. "From what I can see in the city report, there are no hard facts, no justifications for doing this, no figures on potential savings."

The city staff report does not give estimates for cost savings, but states that those figures will become available once the city has proposals from private firms.

Eggener said his union and the city are in the middle of negotiations and that the city has not responded to the union's latest offer.

He said he's also surprised that the city is targeting Public Works, because its employees make up less than 10 percent of the city's \$8.9 million general fund, which pays for public safety and other basics.

The general fund has been under financial stress, and city officials have looked for ways to bolster it.

The majority of Public Works' costs are borne by the water and sewer funds. These funds are called enterprise funds and are supposed to be financially self-sufficient based on what homeowners, businesses and other ratepayers pay into them.

Financial woes highlighted

But in recent months, Wellman has highlighted a number of financial problems facing the city, including a \$700,000 to \$1 million annual revenue shortfall in sewer revenues.

And the account designated to pay off the \$2.8 million bond issued to build the South Willowood Drive fire station is empty. The city owes \$177,000 a year until 2036 on the bond debt and has been borrowing from other city accounts to pay the debt.

The City Council will meet at 7 p.m. in the council chamber, 277 N. Second Ave.

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