

Sainz, Fred

From: Sainz, Fred
Sent: Friday, September 07, 2007 9:53 AM
To: bob.kittle@uniontrib.com
Subject: Salutations

Attachments: Managed Comp Fact Sheet.doc; Audit Consultant.pdf; Toilet to Tap Memo City Attorney.pdf



Managed Comp



Audit



Toilet to Tap

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I hope this email finds you well. I have three issues that I wanted to throw your way this morning.

1. Managed Competition. The first is the Mayor's announcement this morning of the Managed Competition Guide. It signals the beginning of the entire process. Within the next couple of months, actual functions will be selected for review first and then eventually for contracting. It's incredibly exciting -- a lot of great progress has been made in spite of the union's typical obstructionist bullshit. Because we want to make sure that there is a level playing field for all, the process includes many protections as well. No one in their right mind can possibly argue that the Mayor hasn't been deliberate -- we've been at this with the unions now for 18 months. A copy of the fact sheet on the issue is attached. This is a major hallmark that should be recognized.

2. Toilet to Tap. Our boy Mike is up to his regular bullshit messing things up. Not sure if you noticed, but our distinguished City Attorney earlier this week said -- no kidding -- that he would singularly be negotiating with the EPA (with no Mayoral or Council authority mind you) to have them give us a waiver from secondary in return for us being forced to implement toilet to tap. A copy of his memo on the issue is attached. There are so many problems with this that it's hard to know where to begin.

First, who the hell is the City Attorney to be negotiating with the EPA on a policy issue that will affect the ratepayers financially and when he has been given no direction/input from either the Mayor or the Council to do so? Assuming the scientists come back with a recommendation that there's no harm being done, the Mayor intends to pursue a waiver and separately, not do anything about indirect potable re-use. Best case, toilet to tap costs \$250 million. If Mike fucks up the waiver process, we are talking about another \$1.4 billion. He's playing with fire in a VERY irresponsible fashion.

Second, his proposal is farsical at best. The EPA will NOT get involved in our water supply issues -- they do not care or order us EVER to adopt indirect potable reuse. If Mike were to approach them with this hair-brained scheme, they will say "no thanks -- can't help you" and then he's made the secondary discussion worse for us. Mike knows better -- he wants to go to secondary now and this is an elaborate ruse to get both secondary imposed on us (by fucking up the conversation with the EPA) and pursue toilet to tap.

Lastly, toilet to tap makes no sense on the economics of it alone. It will cost three times the amount per gallon than what we pay now and will add only slightly to our water supply. Not a good idea but Mike is hell-bent it appears on hurting the City. Bob, he's about to fuck this up big time -- WATCH!!!

3. More consultants at taxpayer expense. Lastly, under the category of more government than we know what to do with. The City Council is now poised to hire an audit consultant to the tune of \$250,000/year to help them read financial statements. Well, what were they elected to do? As you will remember, they shirked the responsibility that Kroll asked of them which was to approve the financial statements. They just said NO. One wonders if another taxpayer paid consultant will allow them to act responsibly now and actually fulfill the responsibilities they were elected to take on. I have attached a copy of the IBA's memo on this issue. Bureaucracy run amok.