

SHEPHERD E X P R E S S M E T R O

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Selling Water Works is All Wet

Proposals to sell the municipally owned Milwaukee Water Works to a private corporation should be strongly opposed. Private operation in the long run will mean much higher water prices, poorer responses to service needs, and inferior water quality. It will lead to labor disputes as an effort will be made to hold down employee costs to favor stockholder interests. It will also lead to non-residential control of an essential city service. The bad experience the city is having with a privately operated sewer district that dumps raw sewage into the drinking water should be a strong warning not to repeat the mistake of turning over an essential government function to a private corporation. Turning over so critical a life-supporting system as a water supply to a for-profit agency should be unthinkable.

It is possible that the surreptitious moves to turn Milwaukee's water supply over to private corporations comes from a libertarian ideology holding that all government operations except those concerned with policing and the military are essentially wrong, and that private self-interest should prevail as the controlling force in a society. This libertarian ideology is totally unstable for successfully operating a democratic government and society. There is such a thing as the community good, which needs to be recognized and observed in governmental decisions.

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Resolution Opposing Budget Provision Modifying the Law Governing the Sale of Municipal Utilities

WHEREAS, sections 2025 and 2026 of the State Budget Bill (SB 55/AB 144) eliminate the procedural steps that must be completed under current law before a municipality can sell or lease a public utility plant and provide instead that a municipality may sell or lease any public utility plant owned by it in any manner it considers appropriate; and

WHEREAS, the procedures for selling a municipal utility, including the requirement that a referendum be held, have been in place for 84 years; and

WHEREAS, the decision to sell a municipal utility plant, which is often a municipality's largest asset, should not be made lightly but rather should be made only after careful study and consideration of all the consequences of making such a permanent and irreversible change; and

WHEREAS, current law provides a deliberate process for making such a critical decision and that process includes maximum citizen involvement; and

WHEREAS, the current process for selling a municipal utility allows a municipality to receive comments and information from all the stakeholders who might be affected by such a decision before final action is taken.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the League of Wisconsin Municipalities opposes sections 2025 and 2026 in the state budget bill, SB 55/AB 144, and supports retaining the current statutory process.

BE IT FURTHER RESOLVED, that a copy of this resolution be provided to the members of the Joint Finance Committee.

ADOPTED by the Board of Directors of the League of Wisconsin Municipalities on this 30th day of March, 2001.

Joseph J. Greco, President
League of Wisconsin Municipalities

Dan Thompson, Executive Director
League of Wisconsin Municipalities