

Privatization: Where It's Not Happening

(A handful of cities which have rejected the idea of privatization)

Albuquerque, New Mexico. Took court action to acquire the privately-owned New Mexico Utilities, Inc. (NMUI) which runs the city's water and wastewater system. NMUI is a subsidiary of Southwest Water - a West Covmia, California-based IOU.

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Chattanooga, Tennessee. Rejected privatization after a thorough review of private bids. Proposed savings were felt to be too small to warrant an award and a private contract would have transferred nearly \$600,000 a year in indirect costs (mostly legal and purchasing costs) to other city agencies.

Moccasin Bend Plant
Eugene Wright, Director
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Martin County, Florida. When the Board of County Commissioners issued a Request for Proposal for contract O&M, Martin County Utilities hired a consultant to help it prepare its own competitive proposal. Based on changed working practices and the use of process control technology, the utility projected \$10 million worth of savings over five years. The bid was successful and the utility signed a Memorandum of Understanding with the county binding it to the costs and improvements defined in its proposal.

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