



<i>City Manager</i> 707-822-5953	<i>Environmental Services</i> 707-822-8184	<i>Police</i> 707-822-2428	<i>Recreation</i> 707-822-7091
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736 F Street
Arcata CA 95521

August 7, 2024

The Honorable Liz Ortega
1021 O Street, Room 5120
Sacramento, CA 95814

Re: **AB 2557 (Ortega): Local Agencies: Contracts for Special Services and Temporary Help: Performance Reports** (As amended 7/3/24)
OPPOSE

Dear Assembly Member Ortega,

The City of Arcata must respectfully **oppose AB 2557**, a bill related to contracting by local agencies. AB 2557 is overly burdensome and inflexible, which will likely result in worse outcomes for vulnerable communities and diminished local services for our residents.

Broad application has costly implications. The City of Arcata relies on contractors to provide a variety of programs and services. Given our current workforce shortages, it would be difficult to provide these services without their capable assistance. The following are a few examples of how the City of Arcata has recently used contractors for services:

- \$820,462 contract with Planwest Partners, a planning firm, for updating to the City's General Plan for the next 20-year planning period, developing a new form-based code for the Arcata Gateway Plan, and writing a detailed Environmental Impact Report.
- \$801,070 contract with R.A.O. Construction Co., Inc., a local contractor, for the 8th & 9th Streets Improvements Project to convert two two-way traffic roads to single-lane, one-way traffic roads to provide safer bicycle and pedestrian facilities and reduce vulnerability of these users to vehicular traffic in a centrally located, high-use area of the community.
- \$672,721 contract with Mercer-Fraser Company, a local contractor, for the South I Street Boat Launch Facility Improvement Project, to install a new, non-motorized boating facility at the Arcata Marsh & Wildlife area, and addition of accessible parking stalls and drainage improvements.
- \$415,000 contract with Arcata House Partnership, a non-profit organization providing critical services to people experiencing homelessness, to implement and manage a Safe Parking Pilot Program for families and individuals living in their vehicles, which provided case management services, assistance with applications for benefits, and connections/referrals to other community resources while participants worked on their housing goals.
- \$139,700 contract with Comunidad Unida del Norte Arcata (Community United of North Arcata) via Playhouse Arts, a non-profit organization, for effective coordination and implementation of beautification projects and the fostering of community connections between residents and local businesses in the underserved Valley West area of Arcata.

With the additional requirements of AB 2557 for local agencies with represented workforces and their contractors, we can expect fewer nonprofit providers, community-based organizations, and other private service providers willing to engage with local agencies. The requirements will also exacerbate already-demanding caseloads and workloads for our existing staff and increase city costs.

Making private employee data subject to the California Public Records Act deters effective partnerships with the private sector. This bill would require anyone who enters a special services contract over \$100,000 in value with a city to perform functions that are currently, or were in the prior five years, performed by city employees represented by an employee organization to post the contract and any related documents, including any required performance reports on their website. This is an expensive endeavor that would require considerable investment in IT infrastructure and staff for our city.

Additionally, AB 2557 requires contractors to provide information about employees and retain records. This private employee data would be accessible to any member of the public. Public employee data subject to the CPRA has resulted in data mining for profit, as well as subjecting employees to harassment and threats.

Local agencies are already subject to statutory limitations on contracting. Cities are already subject to the statutory provisions of the Meyers-Milias-Brown Act and related state law provisions. Local agencies cannot contract out work currently performed by bargaining unit employees simply to save money and most contracting-out decisions are already subject to meet-and-confer requirements. All the issues the bill seeks to address are better addressed at the bargaining table where local conditions can be appropriately considered.

Unclear terminology creates confusion and invites disputes.

We remain concerned that the notification timeframes provided are impractical. While the bill includes the requirement for a “reasonable” notification to the employee representative, we are unclear as to what exactly this requirement means. Further, the emergency exemption provided in the bill appears to only apply to portions of the notice provisions. Local agencies are first responders and need flexible and accessible means for contracting with clear understanding of what is required prior to doing so.

AB 2557 represents a sweeping change to the fundamental work of local governments, but we are unaware of a specific problem that this measure would resolve or prevent. The bill will not improve services, reduce costs, or protect employees.

For these reasons, the City of Arcata respectfully **opposes AB 2557**.

Sincerely,



Meredith Matthews
Mayor
City of Arcata

Cc: The Honorable Senator Anna Caballero, Chair, Senate Appropriations Committee
Senator Mike McGuire
Sara Sanders (via email: sanders@calcities.org)
League of California Cities, (via email: cityletters@calcities.org)