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To: David C. Childs A-76comments/OMB/EOP@EOP

CC:

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<PRE>The idea that contractor services are cheaper for such items as utilities maintenance are ludicrious. The added cost of inspection and contract enforcement alone causes the overall costs to be far and above what civil service costs would be. This does not take into account the cost to redo contractor foul ups. Nor is the cost of litigation added in. All privatization should be halted until long term studies can be conducted to determine if contract work is feasible and cost efficient in the areas of utilities maintenance and other long term contracts. Without these long term studies the government may find itself in a position where they are at the contractors mercy and cannot opt out of a contract because they have disposed of their own workforce. The government should look at the expierence of many municipalities that have reclaimed work they once contracted out because of skyrocketing prices and poor contractor performance. Once the government loses control of these functions then they are at the mercy of the contractors.