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DWP chided on water-rate hike
Panel says neighborhood councils left out of loop

By James Nash, Staff Writer

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Saying advisory neighborhood councils weren't consulted on plans for a water-rate increase, members of a Los Angeles City Council panel on Tuesday postponed action on the issue and criticized the Department of Water and Power for not reaching out to neighborhood leaders.

DWP officials said they need to raise water rates by 18 percent over two years to pay for improvements in water quality and security against terrorism. On Tuesday, they said the proposed 2004 and 2005 increases -- the first in 11 years -- would likely be followed by smaller hikes in the coming years to continue funding the improvements.

Opposition to the rate hikes has coalesced around reports that the DWP has spent millions of dollars on public-relations contracts, a "green power" program that critics say produced few results, and a dust-management plan for the Owens Valley.

Leaders of several of the city's nearly 100 fledgling neighborhood councils complained Tuesday that they were given only token input into an issue that affects everyone who uses electricity and water in Los Angeles.

They said the DWP is invoking the terrorist attacks of Sept. 11, 2001, to push through a rate increase under the guise of security when the public demands a fuller explanation. "I believe the DWP is not being honest and they're hiding behind the 9-11 badge to get what they want," said Louise Clarkstone, a board member of the Sunland-Tujunga Neighborhood Council.

The DWP's assistant general manager for water, Gerald Gewe, said officials at the municipal utility sent newsletters and e-mail messages to neighborhood council leaders in December informing them of the proposed rate increase. The department also held four meetings for neighborhood council leaders that were sparsely attended, Gewe said. "To me, that suggests this is probably not the most pressing issue in people's minds," he said.

About 15 neighborhood councils have voted to oppose the rate increase, and more than a dozen others are scheduled to take a position this month. The Valley Alliance of Neighborhood Councils, an umbrella group of 35 San Fernando Valley neighborhood councils, also opposes the increase, said group President Jill Banks Barad.

At Tuesday's meeting of the council's Energy, Commerce and Natural Resources Committee, opinion on the rate increase was split. Several residents said the DWP has

provided safe and pure water without an increase in 11 years and now must cope with a new security climate. Others said the DWP had failed to make its case.

One of the supporters of the rate increase, Silver Lake Residents Association President Mary Ann Cook, said security concerns justify the additional cost.

"The events of 9-11 changed the world and the DWP has dutifully examined the safety and security of its facilities," Cook said. "Changes have been made and more must come."

Committee members and Councilwomen Janice Hahn and Cindy Miscikowski said they found the DWP's argument for a rate increase convincing, but faulted the municipal utility for not making its case to the public. Councilman Tony Cardenas said he's still weighing the pros and cons of the rate hike.

In an interview, Janice Hahn said the DWP essentially bypassed neighborhood councils and violated the spirit of local empowerment that drove voters to approve neighborhood councils as part of a 1999 charter reform measure.

"We can't have this laissez-faire attitude where people find out about things in the newspaper," Hahn said. "We need to constantly hammer on city departments to do things differently than they've done it."

DWP officials had hoped for City Council approval of the rate increase in January. The increase is expected to cost the average resident \$50 a year in 2005 and generate \$65 million for the DWP.

DWP officials warned that lengthy delays in the rate increase would jeopardize the utility's bond rating because its revenues would fall short of expenditures.