

## Chalk One Up to Advisory Panels

Council scales back DWP rate request in the face of wide opposition from community boards.

By Patrick McGreevy, Times Staff Writer  
May 12, 2004

In the biggest victory yet for Los Angeles' fledgling network of neighborhood organizations, the City Council on Tuesday approved an increase in water rates far smaller than what the Department of Water and Power had requested.

DWP officials had asked for an 18% hike over two years to help pay for water quality and security improvements. But the proposal became a rallying cry for many of Los Angeles' neighborhood councils, which were created during Los Angeles' secession battle as a way of giving communities a greater voice in civic affairs.

More than 30 neighborhood councils from Porter Ranch to Silver Lake opposed the DWP proposal, questioning why such a large increase was needed at the same time the agency was paying millions to an outside public relations firm.

Their activism paid off: The City Council on Tuesday backed a smaller 11% rate hike and also required that any future rate increases be justified by an audit of the DWP books.

Humbled DWP officials acknowledged they had made a strategic blunder by not winning the support of the neighborhood councils, and Mayor James K. Hahn said Tuesday's vote heralds a new force at City Hall.

"It is significant," Hahn said. "Now that we have over 80 neighborhood councils, their voice is going to be increasingly important at City Hall."

The vote also marked a lesson for Hahn, who had initially supported the 18% hike before backing down amid neighborhood opposition.

For decades, dozens of homeowner and tenant associations have tried, with limited success, to influence city government.

Many of the leaders of those groups have joined the neighborhood councils, which have for the first time given them a formal role in providing input on matters before city government.

"When you get this many neighborhood councils opposing an 18% increase for DWP, that's pretty powerful," said Ken Draper, vice president of the Mid City West Community Council. "This shows the neighborhood councils have matured and are beginning to figure out how to make their voice heard."

Opposition to the rate increase began to take shape in the northern San Fernando Valley soon

after the DWP made its proposal in December.

Mayor Hahn quickly backed the 18% increase, and it was expected to win easy approval.

But over the next few months, opposition spread throughout the city, with the first five neighborhood councils coming out against the rate increase in early February. Those activist councils began rallying counterparts in other parts of the city through e-mails and telephone calls.

Opponents were quick to point out that the DWP spent \$175,000 on a float for the Tournament of Roses Parade and \$3 million annually on a contract with the public relations firm Fleishman-Hillard Inc.

Neighborhood councils also criticized the DWP board for voting on the rate increase before any of the community groups had been given a chance to take a stand.

When all the neighborhood councils gather May 22 for their twice-yearly Congress of Neighborhoods, the campaign on water rates will be used as a model of how the groups can organize around citywide issues in the future, officials say.

"This one was purely the neighborhood councils from the start," said Greg Nelson, general manager of the city Department of Neighborhood Empowerment, which helps the councils organize. "It was clear that the neighborhood councils led the effort and drove the issue."

Draper, the Mid City council leader, said the DWP "never made the case for an 18% increase," and further riled neighborhood councils by trying to rush it through without sufficient time for the community groups to weigh in.

In the wake of the defeat, DWP officials said they would make sure in the future that neighborhood councils were given a chance to review rate proposals before they went to the City Council.

"There were definitely lessons learned," said Frank Salas, DWP's acting general manager. "We've got to not take them for granted, and we have to reach out in a coordinated fashion so they understand what we are proposing."

In a city that almost broke apart because residents didn't feel City Hall was considering their views, the victory of the neighborhood councils marks an important milestone, said Cal State Northridge political scientist Tom Hogen-Esch.

"The real story is the coalition-building they did," he said. "They built alliances over the Internet and over the phone and by holding meetings, and that kind of coalition is hard for policymakers to ignore."

Voters approved the creation of neighborhood councils in 1999 as part of a charter reform package drafted as an alternative to proposals to break the city apart. After Valley and

Hollywood secession proposals were defeated in 2002, some leaders of the breakaway movement predicted that the neighborhood councils would fail because they were only advisory.

But Hogen-Esch said the groups have shown they have real clout.

The neighborhood councils' leaders know they will be tested again.

DWP officials told the City Council on Tuesday that even after the 11% boost, they may need to raise rates an additional 21.5% in the next four years to pay for essential improvements to the city's aging water system.

The rate increase approved Tuesday will take effect next month and will boost the rates for the average Los Angeles household by \$2.40 per month. For businesses, it will add about \$99 for every \$1,000 in their total average monthly bill.

The average monthly residential water bill will bump up to \$26.77, which would still be below the amount charged by San Francisco, Long Beach, Glendale, Oakland and San Diego, but higher than Burbank.

Despite the compromise, council members Dennis Zine, Jack Weiss, Wendy Greuel and Greig Smith refused to support the rate increase.

"They never convinced me that it was necessary," Zine said.

However, Council President Alex Padilla noted the DWP had not had a water rate increase since 1992. He said the initial increase is justified by the great need to update the system of 7,100 miles of water pipes, tanks and reservoirs.

"We need this 11%. We need it for water quality. We need it for the security of our infrastructure," Padilla said.

Councilman Tony Cardenas also warned that if rates were not increased it could hurt the DWP's bond ratings, which would make it more expensive to borrow money and lead to greater rate increases in the future.

"Clean, reliable water is costly, but not making the right decision can cost more in the long run," Cardenas said.

The 11% raise, Salas said, will help the DWP pay for high-priority projects that include covering the Los Angeles Reservoir, building an underground water storage facility to take over for the Silver Lake Reservoir, and providing security measures such as new fencing, cameras and patrols around key water facilities.