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Neighborhood councils reach deal with DWP

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Thursday, March 31, 2005 - Neighborhood councils -- created in response to secession sentiment and galvanized by water-rate hikes -- have cut a deal to hold the DWP more accountable, and leaders hope to expand their oversight role to other city departments, officials said Wednesday.

In the advisory councils' first major bid to win a stronger say in city business, a group of council leaders from across Los Angeles has negotiated a 15-page memorandum of understanding with the DWP that requires a sharing of information between them and the utility, according to a copy of the plan obtained by the Daily News.

Expected to be unveiled and signed by the Water and Power Commission on Tuesday, the memorandum is the most extensive formal agreement to date between the councils, created in 1999 under the new charter, and what historically has been one of the city's most closed departments.

"We're taking the keys to City Hall and giving them back to the people," said Jim Alger, a member of the Northridge West Neighborhood Council board and of the Neighborhood Council/LADWP Partnership Taskforce.

The task force began working with the DWP just over a year ago, during the controversy over a proposed 18 percent, two-year water hike that was ultimately reduced to 11 percent with the likelihood of more increases in the future. Some 35 council representatives were eventually involved in the task force.

Alger said both the DWP and the councils agree to assume mutual responsibilities, including assigning liaisons and keeping one another informed on issues affecting the utility and communities over the next two years. The agreement then can be renewed.

Mayor James Hahn called the agreement an important step in the development of neighborhood councils.

"They have already proved themselves in fighting the rate increases, but I think this is historic where the DWP and neighborhood councils are committed to being involved," Hahn said. "I think it will create a whole new day in the dynamics of how the DWP and, eventually, the city operates."

Hahn said DWP officials and neighborhood council representatives have drafted a blueprint that can be used by other city departments to make sure the citizen panels are made aware of projects and plans before final decisions are made.

Councilwoman Wendy Greuel said the agreement "mandates an open and transparent process," in which neighborhood councils have a "respected role" in rate and budget discussions.

"If you provide residents with information about how the process works, and how they can affect it, they will care more about their neighborhoods," Greuel said. "It's the best way to make the city better."

Building trust Joe Vitti, a task force representative from the Granada Hills North Neighborhood Council and president of Valley Voters Organized Towards Empowerment, said the agreement signifies a shift in how City Hall and neighborhoods relate.

"There will be more trust between the citizens in the city and City Hall as a result, if the departments are willing to sign MOUs and follow through on them," Vitti said.

Alger said the MOU (memorandum of understanding) mechanism being pioneered with the DWP could be a way to open lines of communication with other departments, such as the Planning Department, whose land-use decisions deeply affect communities.

"The City Charter calls for all city departments to communicate with the councils, and that's 90 percent of what the MOU does," he said.

Deaton praised Neighborhood council representatives praised the DWP, and its new general manager, Ron Deaton, for working out the details. Deaton did not return phone calls.

Dominick Rubalcava, chairman of the DWP board, said the neighborhood councils' anger over the rate increase caught officials by surprise. The City Council subsequently required the utility to provide residents with comprehensive information, and Rubalcava said the MOU was embraced as a "proactive" approach.

"We made a mistake," Rubalcava said. "The water-rate increase was the first tax increase or rate hike since the neighborhood councils were created. It was an important learning experience for us.

"We wanted to take a proactive approach and develop a system where we meet with the neighborhood councils and make them part of the system. The DWP is their utility and they should know what we're doing and planning."

Richard Close of the Sherman Oaks Homeowners Association questioned the timing of the proposal, scheduled just weeks before the May 17 runoff election between Hahn and Councilman Antonio Villaraigosa.

"To be honest, it looks like an election gimmick coming," Close said. "Neighborhood councils are still advisory and they will have limited powers."

Under the terms of the agreement, the neighborhood councils would create a DWP oversight committee -- of a size to be determined -- to review significant decisions of the agency relating to rates for water and power, land-use issues, its overall management plans, street closures, the budget and customer programs.

The DWP also would provide information to each neighborhood council and hold a series of workshops to discuss the budget, rates and other service issues. Each neighborhood council would designate a person to serve on the oversight committee as well as to serve as a liaison to the DWP.

The MOU would be in place for two years or until the City Council adopts regulations formally adopting the plans.

Councilman Tony Cardenas, who chairs the council's Commerce, Energy and Natural Resources Committee overseeing the DWP, said the oversight committee is not intended to make policy decisions.

"What we heard during the debate over the rate increase is that people were upset they weren't informed about what was going on at DWP and they were caught by surprise," Cardenas said. "This is a way to make sure they are informed of the major decisions that are coming down."