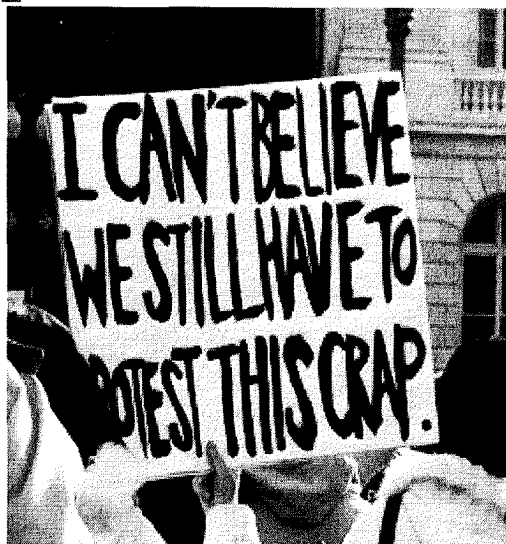


The Sewer Service Charge: "We Protest"

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Jack Humphreville



LA WATCHDOG - You never would have known from the "Notice of Proposed Increases in the Sewer Service Charge" sent by the Bureau of Sanitation that the 77%, 10 year increase in our Sewer Service Charge was subject to Proposition 218 (The Right to Vote on Taxes Initiative).

Nor would you know that if a 'majority protest' exists (whether based on a financially proportionate or parcel basis), then the proposed rate increase would not be imposed.

But this blatant and inexcusable failure to disclose the implications of Proposition 218 is only one reason why the proposed increase should be rejected by property and account holders.

While we realize that rate increases are necessary to maintain and repair our sewer system and meet environmental mandates, the ten year time frame is inappropriate because it does not allow for adequate oversight. Rather, the increase should be

limited to three years, just like our Department of Water and Power.

However, given that there has not been a rate increase for the last three years, it would not be unreasonable to increase the rates by 5.5% per year, a rate consistent with the 80 miles a year replacement scenario recommended by the City Administrative Officer. Over the six year period from 2008 to 2014, the compounded rate of increase would be less than 3%.

At the same time that the Bureau of Sanitation is asking for a 77%, 10 year rate increase, it has failed to provide detailed financial projections. There are no balance sheets or income and cash flow statements that would normally be expected from a well managed operation that has assets of \$4.5 billion, debt of \$2.7 billion, revenues in excess of \$500 million a year, and an operating profit of \$271 million.

At the same time, there has been no discussion about Proposition 26 (the Supermajority Vote to Pass New Taxes and Fees Act) and the allocation of costs to the Sewer Construction and Maintenance Fund, especially as it relates to various overhead charges and unfunded pension liabilities.

Nor has there been any detailed discussion about the efficiency of our Sewer system, other than a superficial comparison to other cities whose rates may include more than sewer fees.

While the Bureau of Sanitation and its very professional management team have made a concerted effort to meet with Neighborhood Councils and other stakeholder groups, its credibility is undermined by its relationship with the Board of Public Works and its five highly paid, politically appointed commissioners, none of whom have the experience or expertise to manage the Department of Public Works, its \$2 billion budget, and 5,000 employees. ([Link](#))

This is the same incompetent Board of Public Works that has failed to maintain our lunar cratered streets and our crumbling sidewalks. Their gross negligence will end up costing Angelenos billions more than if the Commissioners had taken care of the City's business instead of promoting their own personal political agendas.

No wonder the Chief Administrative Officer recommended the essential elimination of the Board of Public Works.

And this is the same Board of Public Works that is advocating for the establishment of exclusive "waste shed" franchises for the collection of trash from apartment buildings and commercial establishments. This is a payback to the notoriously corrupt Teamsters union for financing Villaraigosa political initiatives. This scam is being honchoed by Commissioner Steve Nutter, with the approval of Board President Andrea Alarcon, the 32 year old daughter of Councilman Richard Alarcon, and will cost Angelenos an estimated \$200 million more per year than the current arrangement that has recycled 65% of our waste stream, the highest level by far in the country.

We can express our dissatisfaction by mailing or delivering a post card or letter to the City Clerk, 200 North Spring Street, Room 395, Los Angeles, California 90012. All that is needed is your name, address, and the following message: "We protest the Proposed Sewer Service Charge."

The City Council is scheduled to hold a public hearing on the 77%, 10 year increase in our Sewer Service Charge on Friday, January 27. So your post cards and letters need to be in the possession of the City Clerk no later than January 26.

While the likelihood of derailing the proposed rate increase in the Sewer Service Charge through our protests is very remote, Angelenos will remember the less than transparent way the 77%, 10 year increase in the Sewer Service Charge was approved. And coupled with the failure of the Garcetti-led City Council to establish a Ratepayers Advocate on a timely bases, that will mean trouble for the culprits in the next City election.

(Jack Humphreville writes LA Watchdog for CityWatch He is the President of the DWP Advocacy Committee and the Ratepayer Advocate for the Greater Wilshire Neighborhood Council. Humphreville is the publisher of the Recycler -- www.recycler.com. He can be reached at: lajack@gmail.com) -cw

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