

DWP GOVERNANCE REFORM

Presentation - Van Nuys



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Submitted in REIRN Committee
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~~_____~~ CAD & CLA

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Board Support and Staffing

5 DWP Commissioners receive support from:

- General Manager
- Chief Financial Officer
- Utility Administrative Assistants
- Board Secretary

Board Support and Staffing (cont.)

City Departments providing support to the Board :

- Controller
 - Accounting practices
 - Industrial, Economic, and Administrative Survey
- City Attorney
 - Advise on day-to-day operations
 - Contract review as to form and legality
- Personnel Department
 - Handles classification and examining
- Office of Public Accountability (discussion follows)

Additional Support

City Departments providing support to the Mayor and Council on DWP matters:

- City Administrative Officer (CAO)
 - Analytical and research support
 - Labor relations
- Chief Legislative Analyst (CLA)
 - Policy and legislative review

Personnel and Hiring at DWP

- City's Personnel Department handles civil service workforce hiring for DWP
- CAO advises EERC on salaries
- Salaries approved through Council process

Hiring Challenges at DWP

- Slow, complicated and lengthy hiring process (Rand, IEA 2009, IEA 2015)
- Inability to quickly respond to urgent needs (IEA 2015)
- Limited ability to hire professionals with expertise in utility operations (Rand, IEA 2015)
- Rigid job categories (Rand)
- Lack of succession planning (IEA 2009, IEA 2015)

Office of Public Accountability (OPA)

- OPA was created as a result of the 2010 DWP reform efforts
- Established pursuant to Charter Amendment I, approved by the voters in 2011
- Independent office created “to provide independent analysis of department actions as they relate to water and electricity rates”
 - Office functions *independently* of DWP and its management structure and reports to the DWP Board but *is not* instructed by the Board
- OPA is headed by an Executive Director/Ratepayer Advocate (RPA)
 - RPA is appointed by a citizen selection committee, subject to confirmation by Mayor and Council
 - RPA appointed to a 5 year term and may be removed “for any reason or reasons that would serve as the basis for removing the City's civil service employees” with special consideration paid to the higher standards imposed on supervisors
 - First RPA was appointed to a 5 year term in February 2012

Office of Public Accountability (cont.)

- OPA has the following duties pursuant to the Administrative Code:
 - Provide reports/information to Board, City Council, Mayor, Neighborhood Councils, and the public on:
 - Reasonableness of rate actions and any modifications to them
 - Development of DWP's long-term strategic plans (e.g., Integrated Resource Plan), annual proposed DWP budget/policies, practices, programs, contracts, agreements, and other actions that may impact rates
 - Maintain a repository for all reports produced by the Office
 - OPA has discretion to make recommendations to the Board, City Council, Mayor, and the public on ways to improve the reasonableness and transparency of DWP policies and rates
- OPA also vested with consumer protection and complaint functions – at its discretion it may audit individual ratepayer cases and obtain customer data to conduct analyses of DWP performance.

Office of Public Accountability (cont.)

- In addition to the RPA, the Office is staffed by a Power Expert and a Water Expert
- OPA receives legal support from the City Attorney's Office and administrative support from the CAO
- Charter sets OPA's budget at no less than .025 percent of DWP's annual revenues
- OPA proposed annual budget is submitted to CAO
- CAO submits OPA's proposed budget to the Mayor and Council for approval.
- FY2015-16 Adopted Budget: \$2.2 million

Proposed Ballot Schedules

<u>Election Date</u>	<u>Last Day for Committee Action</u>	<u>Last Day for Council to Request City Attorney to Prepare Election Resolutions</u>	<u>Last Day for Council to Adopt Election Resolutions</u>
A. November 8, 2016 (State General)	June 17, 2016*	June 29, 2016***	July 1, 2016***
B. March 7, 2017 (City Primary)	October 21, 2016*	November 2, 2016	November 16, 2016
C. May 16, 2017 (City General)	December 9, 2016**	January 11, 2017	January 25, 2017

*Last Regular scheduled Rules Committee meeting by which the Committee should act.

**Date shown is a Special meeting, due to Council recess in December 2016.

***Date shown is due to scheduled Council recess in July 2016.