

Date: 2/19/16  
Submitted in Rules Committee  
Council File No: 16-0093  
Item No.: 1  
Deputy: Communication from  
The Public

**VAL\*PAC STATEMENT  
IN SUPPORT OF  
AN INITIATIVE TO REFORM LADWP**

**LA City Council  
Rules, Elections, InterGovernmental Relations &  
Neighborhoods Committee  
February 19, 2016**

The San Fernando Valley Business Political Action Committee (Val\*Pac) respectfully submits this statement in support of an initiative to be placed before LA City voters to reform LADWP.

Val\*Pac was founded in 1981 to help strengthen the economic vitality and improve the quality of life in the San Fernando Valley and the surrounding region. Our bipartisan Board of Directors consists of 19 business owners and residents of the San Fernando Valley who are committed to fostering and preserving good government and a positive business climate throughout the City. As such, we care deeply about LADWP. In fact, two of our board members have served on the Board of Water and Power Commissioners.

Val\*Pac strongly supports the Motion by Councilmember Fuentes (the "Fuentes Motion") to place a ballot initiative before the City's voters to reform LADWP. We believe that such an initiative should advance the following goals:

- 1) To de-politicize LADWP;
- 2) To ensure that LADWP functions as an independent and self-governing utility;  
and
- 3) To set a mission statement for LADWP to provide that its mandate is to deliver the most reliable, safest, environmentally sound and cost-effective water and power services to the City.

To achieve these goals, we endorse the specific amendments listed in the Fuentes Motion with the following changes and clarifications:

- 1) That the new full-time professional Board of Commissioners have 7 members and be constituted to reflect the diversity of ratepayers in the City;

- 2) That service on the Board of Commissioners be voluntary and unpaid;
- 3) That Commissioners be subject to a term limit of two five-year terms;
- 4) That the Mayor continue to appoint Commissioners, subject to confirmation by the City Council;
- 5) That, once confirmed, Commissioners shall only be removed during their term for cause (e.g., malfeasance, fraud, conviction of a felony);
- 6) That the Board of Commissioners be solely responsible for setting and implementing the policies of LADWP, for setting water and power rates, for hiring and firing the General Manager, and for handling all personnel and salary matters, exempt from the City's civil service rules;
- 7) That LADWP be free from City Council approval or oversight and, in particular, not be subject to City Charter Section 245;
- 8) That the City's Utility Tax be capped so as not to exceed tax rates imposed upon utilities governed by the CA PUC; and
- 9) That the City's Power Transfer be capped at the pre-Proposition 26 level and be eliminated over a twenty-year period.