

I'm IP, the director on Engrg, Chief Engr of the LBWD  
Mr. Mayor and Council members:

*was w/ AU for*  
I've worked approx 10 yrs in the Anaheim Utilities & longer at the LBWD.

I'm v familiar w/ the Op of the Anaheim Water & Pwr (AU).

I can cite sm of my 1<sup>st</sup> hand personal exp on the subject of efficiency and cost savings in your memo.

Point #1) The Mgmt of Anaheim Util (AU) are experts in these Wtr & Pwr field, there4 many function mentioned in your memo are NOT shared by the wtr & Pwr groups. The *sm* can be found in other DWP agencies. Both groups are required to adhere and comply w/ Hlth & Safety Stds, which are strictly regulated State Agencies.

Point #2) Bigger is NOT necessarily better nor more efficient  
– 1<sup>st</sup> let's cf to AU,

AU is bigger than LBWD, but in some respect, LBWD is very efficient.

e.g. LBWD has a reclaimed water system for decades. When I was in AU, they were looking into this, while some 20 yrs later, they still don't have any plan.

b) A comment on the LBWD's former AGM – D Vuong, who was the former Engrg Mgr of AU.

An efficient organization, such as LBWD, had allowed Diem develop and co-authored w/ LBWD a patent on SeaWater Desal, which is the 1<sup>st</sup> municipal agencies to hold such patent.

c) While AU's water rate seems to be lower, part of the reason is due to the abundant yield of nearby ground water basin. If not for the questionable transfer of tens of Million of \$ of pipeline fees outside the Department, LBWD's water rate would have been lower.

d) Next, let's cf to LADWP.

Without Qn, LA Dept of Wtr & Pwr is bigger than A Wtr & Pwr and is much bigger than LBWD.

But is it more efficient?

Do the Pwr and Wtr co-share many of these functions mentioned in your memo?

Recently we heard a lot about their main breaks in the news and how the City had a bgt short fall and the mayor had asked \$75M to be transferred from the DWP. Later only to find out by Prop 218 legal precedence that such transferring of money from water, sewer or refuse collection cannot be done.

This large Wtr & Pwr org. instead of passing the savings to the rate payers, on the contrary, raised their rates.

I've read through your proposal and we all share the same budget concerns.

There's an old saying: 'if it ain't broke, don't fix it'.

Any imp decisions need more cost-benefit analysis, discussions and closer reviews based of facts.

I want to leave w/ u sm Qns:

- Is there sth 'broke or broken' at t LBWD and what is it that this decision to fix LBWD, must be addressed so suddenly?
- Are there other issues that should have been fixed and addressed?
- If there are any cost savings, what and where are these numbers? Will these savings go back to the rate payers?
- Will we see a reduction in the water, sewer and gas rates?

The decision, as I pointed out, has a long lasted impact on NOT only on LBWD, but to the City and the citizens of LB.

If an irresponsible decision is hastily made, the results of such impact will be swifter than before some of your term is up. Furthermore, this long lasting impact is irreversible.

A gd Dept take decades for gd staff and governance to bld up,

however, it may only tk a few poor decision to destroy it in a v. short period of time.