

Tuesday April 11, 2006

All is silent at the MPPJ front

Accused of unlawful acts, the Petaling Jaya Municipal Council (MPPJ) has retreated behind a wall of silence. That silence, however, speaks ill of a council that has been entrusted with carrying out services on behalf of taxpayers. The drama is currently at a stalemate, but for how long no one knows for sure. K.W. MAK recaps the series of events that brought about the current impasse between the residents and the local authority.

ON Nov 8, all 25 council members of the Petaling Jaya Municipal Council sat in for a full board meeting to review the budget for 2006. One by one, each member approved the increase in assessment by 10% without questioning the legality or the need for the increase. Where Subang Jaya Municipal Council took a three-day outstation trip to study and debate its 2006 budget before approving it, MPPJ councillors took less than three hours to do the same.



Termizi pointing to the Local Government Act 1976 book, citing Section 53 of the Act to defend the council's refusal to make public the accounts early last month.

"The slow economic growth this year has affected the council's revenue and as such, the council has to increase revenue and reduce backlogs (in collecting assessment taxes)," said MPPJ president Datuk Ahmad Termizi Puteh (The Star, Nov 9, 2005).

Residents' protest

Residents immediately called the increase unjustified and an additional burden to the people, what with petrol prices and other costs of living increasing. Supporting their case, residents said the council had not accounted for the Auditor-General report for 1992 and 1995 that indicated there were RM60mil worth of assets unaccounted for and 13 pieces of land that could not be located (The Star, Jan 16).

There were also concerns that the increase was to pay off residents of Taman Desaria PJS 5 (several low-cost flats were built in Taman Desaria in 2003 that were declared illegal by the courts last year. MPPJ has to pay damages to the original residents). Residents also called the MPPJ Football Club a waste of public funds as the money could be better spent on improving services and wanted the council to show its account books to prove that MPPJ was not wasting money on unnecessary projects.

Assessment increased

But, the assessment letters bearing the increase came nonetheless – a few days after residents' protest. Dissatisfied, about 150 residents representing 35 residents associations and non-government organisations attended a meeting on Jan 21 and declared the increase illegal, as there was no justifiable reason beyond the council president's assurance that the increase was necessary (The Star, Jan 23).

Residents would pay their assessment taxes. But, there would be protest letters included with their payment and the old rate, the one that residents legally recognised, would be paid instead of the new one. "Under the principle of administrative law and good governance, MPPJ is duty bound to prove how they come up with the new rates and allow time for the people to object before any increase in rates can be approved," said Section 5 Residents Association legal advisor Derek Fernandez. To prevent a drawn out war of words, Kampung Tunku assemblyman Datuk Dr Wong Sai Hou on Jan 26 announced that the council would open its accounts to the residents. He was certain this would paint a picture that justified the increase.

With Dr Wong was MPPJ accounts department director Lulu Goh, who said: "The Auditor-General audited MPPJ in 2004 and we were given a clean bill. The assets and land are not missing." (The Star, Jan 27).

Goh would repeat those words to residents in a March 13 meeting with residents. Residents immediately expressed their approval of the council's move and formally requested, through a memorandum on Feb 14, a full set of accounts of MPPJ for the years 2000 – 2005 and other relevant documents. Residents also sought a clarification of how the football club was being funded.

#### No accounts

Termizi, who had been abroad in January to perform the haj, returned in February and was immediately sought to speed on the developments. Private discussions were held between council and residents to resolve the matter. Both sides agreed to remain silent on the issue and the council made assurances to resolve the matter by Feb 28.

Instead, Termizi announced at the MPPJ full board Meeting on Feb 28 that the council had its own system and committee to vet and endorse the accounts, which was sufficient. "The residents can have access to the accounts published in the Gazette (government publication)," said Termizi (The Star, March 2). Termizi also said the council spent RM5mil on the football club with sponsors contributing RM4mil, not RM15mil a year as claimed.

#### Damage control

Having been denied the accounts, residents passed several resolutions on March 4 to reject Termizi's explanations and passed a no-confidence vote on MPPJ's present administration. They also sought the assistance of the Federal Government to intervene and restore the council's integrity. "We are passing these resolutions to tell MPPJ how, as ratepayers, we are not subservient to it and we have the right to tell it what we want," said Section 5 Resident Association chairman Edward Lee at a meeting with representatives from 31 residents associations (The Star, March 8). Residents produced evidence of impropriety by the MPPJ Sports and Cultural Club, issuing receipts for a book that was produced by MPPJ. By law, no revenue due to the council can be channelled elsewhere.

MPPJ quickly held a press conference and a meeting with residents to explain the situation and even offered the residents a chance to view a summary of the MPPJ accounts. But, the residents rebutted the council's statements at each and every turn when it became obvious that the council had only called them up to tell them why the information that was requested could not be made available to them (The Star, March 15). The council finally offered residents a chance to view a

summary of the accounts as was promised on March 29.

### Embarrassing revelations

Words spoken in public by MPPJ would come back to haunt it as residents started revealing embarrassing facts about the council. In the case of Lulu Goh's statement, residents pointed to the Auditor-General's report, which was available on the official website [www.audit.gov.my](http://www.audit.gov.my) and clearly spelt out that MPPJ's accounts for 2004 were qualified (meaning there are problems with it).

Goh's reference to the "clean bill" was in fact a statement in the Auditor-General's report stating that all the documents were in order and that the submitted accounts correctly showed the council's financial status.

For Termizi, telling residents that they could access the publicly available accounts published in the Gazette was embarrassing for both the council and the state government, because the last Gazette that was published for MPPJ's accounts was in 1999. The figures that were shown to the residents further put a dent in MPPJ's arguments that assessment had to be increased to cover expenses when residents found a whopping RM38.6mil in arrears had accrued from 1999 to 2004. "They should be collecting this RM38.6mil instead of raising assessment taxes. Instead, paying residents are being burdened with increased assessment because of all these defaulters!" said Taman Mayang Jaya and Taman Megah Residents Association chairman Liew Wei Beng (The Star, March 31).

### RTPJ1

On another front, MPPJ sought to change several areas under the Petaling Jaya Local Plan (RTPJ1) marked as non-commercial areas into commercial zones and electrical reserves into high density development last November. A week's notice was given for a dialogue session on Nov 17, to discuss the changes (as required by law), but residents went to the media first to voice their disapproval of the changes that were sought (The Star, Nov 16, 2005).

Residents were quick to point to Taman Desaria's predicament as an example of MPPJ's gross negligence in protecting residents' rights. Crime increased in the neighbourhood with its residents association recording at least one snatch theft and one house break-in each week. Heavy traffic congestion resulted from the increase in population density from 45 to 500 per acre, with residents recording an accident happening every week too.

The residents in that area fought a two-year legal battle with the council and won the case, but they have to wait at least another year to get a professional valuer to assess the damages that are owed to them. In the end, the changes that were sought for RTPJ1 were thrown out the window when residents discovered that two different copies of the proposed changes had been sold to residents, thereby making the whole process null and void and required MPPJ to restart the process from scratch (The Star, Nov 18, 2005).

The council did so, and called for a meeting on March 31. That event turned out to be another fiasco when residents pointed that the PJ Exchange (PJX) project was launched a week before the briefing that was supposed to allow residents to discuss the merits of the project for the first time (The Star, April 3).

It was revealed later that the council had not approved the project after all and the launch was a gimmick, but residents are now questioning the right of Termizi to chair the briefing because the council president had in fact attended the PJX launch and could not be seen as impartial to the proceedings of the briefing.

The statutory process is now in disarray because MPPJ and the state government had allowed

their crests to be used in the banners promoting PJX and officials from both sides may have disqualified themselves from the hearing process for the changes on RTPJ1.