

PUBLIC WORKS and ENERGY AND ENVIRONMENT COMMITTEES' REPORT relative to the Solid Resources Program proposed rate action.

Recommendations for Council action:

1. AUTHORIZE the Bureau of Sanitation (BOS) to take the necessary steps to implement the following changes to Article 6.1, Chapter VI of the Los Angeles Municipal Code (LAMC), Article 7 of the Los Angeles Administrative Code (LAAC), and any associated LAMC and LAAC sections:
 - a. Set the Solid Resources Fee, Extra Capacity Fee, and Multi-Family Bulky Item Fee as shown in Attachment A of the BOS report dated March 21, 2025, attached to the Council file.
 - b. Revise the rate structures of the Solid Resources Fee and Multi-Family Bulky Item Fee to charge one single rate to all customer classes.
 - c. Replace the Lifeline Program of the Solid Resources Fee with a Solid Resources Low Income Customer Assistance Program to include all qualified low income customers.
 - d. Amend the Lifeline Extra Capacity Fee discount to a fifty percent discount to all extra capacity refuse containers.
 - e. Expand the current Multi-Family Bulky Item Program to extend service to and collect revenue from an estimated 132,000 previously exempted residential dwellings.
 - f. Expand the current Multi-Family Bulky Item Lifeline and Low Income Program to include all qualifying customers.
 - g. Designate the BOS as the fund administrator for both the Solid Waste Resources Revenue Fund and the Multi-Family Bulky Item Special Revenue Fund.
2. REQUEST the City Attorney to prepare and present an ordinance amending Article 6.1, Chapter VI of the LAMC, Article 7 of the LAAC, and any associated LAMC and LAAC sections, to adjust the customer assistance programs and the rates for the Solid Resources Fee, Extra Capacity Fee, and Multi-Family Bulky Item Fee as shown in Attachment A of said BOS report, and to implement other necessary changes addressed in said BOS report.
3. AUTHORIZE the BOS to print and distribute two notices regarding two public hearings, one for the Solid Resources Fee and one Multi-Family Bulky Item Fee in compliance with Proposition 218.
4. DIRECT departments to assist the BOS, as needed, with the implementation of the rate adjustments.
5. AUTHORIZE the BOS to make technical changes as needed to implement Mayor and City Council intentions.

Fiscal Impact Statement: The BOS reports that the General Fund subsidy to the Solid Resources Program is projected to reach \$229 million (approximately 40 percent of the total program cost) in Fiscal Year 2025-26 without the proposed rate adjustments. However, if the proposed rate changes take effect on January 1, 2026, the subsidy is projected to decrease to \$180 million, resulting in a significant reduction in General Fund burden. The General Fund subsidy is expected to be eliminated in the following four years of the proposed rate adjustment.

Community Impact Statement: None submitted

(Budget and Finance Committee waived consideration of the above matter)

SUMMARY

At the joint meeting held on April 9, 2025, the Public Works Committee and Energy and Environment Committee considered a BOS report relative to the Solid Resources Program proposed rate action. After an opportunity for public comment and thorough discussion of the matter, the Committees moved to approve the BOS recommendations, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

PUBLIC WORKS COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HERNANDEZ	YES
PADILLA	YES
HUTT	YES

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
NAZARIAN	NO
YAROSLAVSKY	YES
JURADO	YES
RAMAN	ABSENT
PADILLA	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-