

**CITY OF LOS ANGELES  
INTER-DEPARTMENTAL CORRESPONDENCE**

DATE: April 23, 2024

TO: Budget and Finance Committee

FROM: Barbara Romero, Director and General Manager  
LA Sanitation and Environment (LASAN)



**SUBJECT: LA SANITATION AND ENVIRONMENT RESPONSE TO FY 2024-25  
PROPOSED BUDGET**

LA Sanitation and Environment (LASAN) is deeply appreciative of Mayor Bass' commitment to preserving core services as financial conditions continue to remain challenging for the City and pressing needs place increasing strain on limited resources. With the Mayor's Proposed Budget, we will continue our efforts to efficiently and effectively deliver critical, non-deferrable services such as organics recycling, solids collection and disposal, Hyperion operations and maintenance, watershed management, and citywide cleanliness.

The Proposed Budget includes the elimination of 238 positions throughout the department and corresponding reductions in our salary accounts. There are broad impacts expected as a result of these deletions, including: low morale associated with increasing workloads; more transfers to other departments with lighter workloads; higher use of overtime and the need to mandate time off instead of paying out accrued overtime that further compounds the need to use overtime because of those additional absences; the need for more positions to be held vacant to satisfy salary savings rate requirements; shortened life span of equipment as vehicles are used for longer hours on a daily basis; and diminished operational flexibility to use salary savings to cover overtime needs or other unexpected expenses throughout the fiscal year.

With the Proposed Budget as is, LASAN is able to maintain the following services:

- Maintain current levels of CARE/CARE+ services in each Council District;
- Compliance with SB 1383 Organics requirements;
- Clean water conveyance planning functions;
- Operations and maintenance of wastewater treatment plants; and,
- Ongoing delivery of the watershed protection projects and programs

As instructed LASAN has provided comments related to the proposed budget which includes proposed changes, service level impacts, and how equity places a significant role in both our budget and workforce reliability. We look forward to a robust conversation during the upcoming budget hearings.

## **A. Proposed Changes**

LASAN proposes the following changes to the Mayor's Proposed Budget, however we are unable to offer commensurate offsets given the significant deletion of vacant positions and account reductions:

- **Position Authority Revisions:**

- a. Deleted Positions:

In the final weeks of budget preparation, there was limited time to work with the CAO on the identification and validation of lowest priority long-term vacant authorities. This has resulted in the deletion of positions that were deemed critical and exempted from the Prioritized Critical Hiring (PCH) process that are currently filled or for which job offers have been made, with start dates as soon as May 6, 2024. Many positions are funded by the Sewer Construction and Maintenance Fund (SCM) and are critical to maintaining the Clean Water program. LASAN requests authority to work with the CAO to revise the final list of positions to be deleted in the Adopted Budget.

- b. recycLA:

One Management Analyst (MA) position responsible for preparing mandatory enforcement reporting pursuant to SB1383. LASAN requests to restore this MA position and delete one vacant Environmental Compliance Inspector (ECI) to ensure this critical compliance.

- c. Cybersecurity:

Three positions dedicated to cybersecurity and protection of high priority cyber threat targets, including the wastewater treatment plants, are proposed for deletion. Subsequent to the release of the Proposed Budget, we confirmed that two of those positions are being held vacant for substitute authorities which were originally approved to resolve pending paygrade/classification decisions. LASAN requests restoration of the proposed deletions as technical corrections.

- **Stormwater Pollution and Abatement Fund (SPA) corrections:**

- a. The new Low Income Development (LID) ordinance became effective April 2, 2024 which removes small scale properties from LID plan check requirements. The Proposed Budget does not account for revenue changes expected from this new ordinance.

- b. LASAN has entered into cost sharing agreements to implement the Ballona Creek TMDL project that are not reflected in the SPA fund schedule.

- c. LASAN proposes providing updated information to CAO for your consideration as part of budget deliberations.

## **B. Service Level Impacts**

### Residential Trash Collection and Support:

There are a total of 85 positions (50 RCTOs) identified for elimination in the Valley Collection Division and South Collection Division. Over the last year we have aggressively hired 85 RCTOs. These hiring efforts have led to stable collections operations, increased morale, and have resulted in better attendance and reduced overtime. The elimination of these positions will push back that progress and have the following impacts:

- Disruption of Collections Operations - Could result in trash collection delays due to shortages in staff;
- Erodes the progress made toward better attendance and morale that came with reduced mandatory overtime and reduces the marketability of the position for future hires;
- Increased liability costs; longer working hours resulting from mandatory overtime will typically result in higher numbers of accidents. Existing staff will be burdened with excessive overtime to meet the daily collection demands;
- Elimination of opportunities for existing staff to obtain credentials to promote, creating a barrier to promotional opportunities for entry level staff hired through TLH, WED, and Clean LA; and,
- Clerical work would be delayed affecting reporting and may require overtime, daily.
- Equipment lifespan reduction of up to 25% due to longer working hours. This equipment will be replaced with newer CARB compliant trucks that cost \$300,000 more per vehicle.
- The Proposed Budget increases the General Fund salary savings rate from 4% to 6% which, combined with the deletion of positions in LSD, will impact our ability to use overtime to support current service levels while we continue our efforts to fully staff the division.

### CARE/CARE+ Operations/Illegal Dumping:

A total of 64 positions in the Livability Services Division, which were exempted from Priority Critical Hiring (PCH), as they are in direct support of homelessness support and illegal dumping, were deleted. The elimination of these positions has the following impacts:

- CARE/CARE+ operations will not be able to achieve the goal of 5 days of CARE+ service to each Council District;
- Elimination of the Altered Shift teams that provide critical illegal dumping services outside of normal operating hours. This program has reduced the response time

to remove illegally dumped materials, and will no longer be able to meet the 24-48 hour desired timeframe and will impact future optimization.

#### Clean Water Conveyance Divisions:

28 positions in our Clean Water Conveyance Divisions have been proposed for deletion. The elimination of these positions will have the following impacts:

- Will negatively impact performance metrics of 6,750 miles of sewers cleaned and 90,000 catch basins cleaned in FY 24/25. This is because salary savings from the vacant positions has funded the overtime to perform these activities while we were unable to fill the vacancies. For the current FY, approximately \$1.7M in overtime has been utilized. There may be an increase in Sanitary Sewer Overflows and/or flooding incidents as a result of the reduction in services;
- Directly impact the ability to address facilities' mechanical and electrical failures.

#### Fleet Management

One Solid Resources Superintendent has been noted for deletion. This is the sole position allocated to manage a fleet of over 1,400 vehicles. This position has only recently become vacant due to a promotion and we are eagerly awaiting a list of candidates to fill it. Please note that an employee is currently serving in an Emergency Appointment. Losing this vital position would have the following impacts:

- Highly detrimental to our collection operations;
- Affect our ability to comply with the stringent Advanced Clean Fleets regulations mandated by the California Air Resources Board.

#### Landfill and Transfer Operations:

23 positions were identified in the Solid Resources Processing Division which is responsible for hauling for Lopez Canyon and CLARTS. The elimination of these positions would negatively impact the expansion of local organics composting and increase reliance on contract haulers.

#### Recycling Program:

Five positions were identified for deletion in the Solid Resources Citywide Recycling Division. The elimination of these positions will have the following impacts:

- Direct negative impact on the City Facility Recycling Program (CFRP) which includes the collection of recycling and organics from more than 2,000 blue recycling bins inside more than 300 City buildings, donation programs, and recycling/organics education and outreach. Increased burden on existing staff resulting in delays and inconsistent services on an on-call basis;
  - Less staff available for other services such as office moves, donation drive setup/collection/delivery, and to serve as bin attendants at City Hall/Community events.
  - Includes a position designated for the Zero Waste Program which assists at City Events and with recycling/organics education and outreach.
- Impact on the Green Business Program

- The removal of technical support will directly hinder the Green Business Program's activities, especially with significant events like the FIFA World Cup in 2026 and the LA 2028 Olympics and Paralympics on the horizon. This support is vital for tasks such as site assessments, researching financial incentives and grants, report preparation, presentations, regulatory tracking, and public outreach efforts.

#### Watershed Protection:

Nine ECI positions and one Senior ECI position have been deleted. These positions have been held vacant to meet the required SPA salary savings rate. SPA salary savings have been utilized to fund contracts to perform permit-required commercial and industrial facility inspections, in the amount of about \$500,000 this FY. The City can be fined for not complying with this requirement.

#### Customer Care Division:

The customer care center plays a pivotal role in providing round-the-clock support to City residents. Five positions in the Customer Care Division are slated for elimination: two Customer Information Representatives (CIRs), one Admin Clerk, and two Senior Admin Clerks. The division's goal is to uphold the City's standard of addressing customer inquiries and requests within three minutes. Eliminating two Senior Admin Clerk roles will affect supervisory support, potentially resulting in increased supervisory ratios and longer wait times for City residents with escalated calls. Overtime will be utilized as necessary to minimize City residents wait times.

#### Administration/Financial Management:

Three support positions were identified for deletion in the Administration Division. The elimination of these positions will have the following impacts:

- Additional delays in the processing of procurement documents and invoices for payment potentially resulting in the stoppage of services by contractors of critical operations (i.e., hazardous waste removal).
- Additional delays in providing administrative support for budget preparation, contract development and execution, purchasing, payroll, personnel, and other administrative activities.

One Management Analyst position in the Financial Management Division is deleted. This MA position is in the Budget Group providing critical budget support to the LASAN divisions and it is also responsible for managing the master database for authorized positions, producing monthly vacancy reports, working with the CAO and Personnel to reconcile positions. The elimination of the position will have the following impacts:

- Insufficient staff to manage divisional budgets; review, monitor, and process various divisional financial documents, such as monthly financial reports and budget transfers; and assist in the analysis, preparation, and administration of LASAN's annual budget. The number of required financial transactions and

reports have increased dramatically and the current workload is exacerbated by the removal of this MA.

- Not able to produce critical documents such as the LASAN monthly vacancy report, and reconcile positions in a timely manner.

#### Communications and External Affairs:

LASAN requested to realign existing staffing resources to create an External Affairs and Engagement Division that would focus on creating a cohesive and efficient unit comprising its Government and Legislative Affairs, Regulatory Affairs, Public Affairs Office, Community Outreach, Marketing and Community Services Groups. LASAN further proposed to expand its efforts related to workforce reliability including workforce equity, employee engagement, social equity hiring, employee development, diversity, equity, inclusion and belonging. This realignment included a request for a Chief Management Analyst position to serve as the Division Manager of the proposed division. This position along with the Public Information Director I (PID I) position that has been identified for deletion are a part of LASAN's ongoing commitment to external and internal key stakeholders and to workforce reliability.

The PID is part of the Public Affairs Office (PAO) which supports not only LASAN but also the Board of Public Works and other bureaus in the Department of Public Works.

The elimination of this position will have the following negative impacts:

- Continued strained communication with key stakeholders such as the City of El Segundo;
- Reduced ability of staff to develop strategy and execute key outreach and educational materials to promote critical, policy-driven programs and initiatives such as: SB1383/Organics LA, Illegal dumping, plastics reduction and others;
- Reduced or delayed responses to media queries and reduced ability to research and respond to requests about LASAN and other Public Works Bureau's Services;
- 50% reduction in press pitching, news releases and advisories intended to educate the public about LASAN and other Public Works Bureau's services and programs;
- Significant decrease in the development of proactive public engagement strategies, and a detrimental effect on our success rates tied to programmatic goals;
- A significantly reduced presence in targeted underserved and underrepresented communities at community events, meetings, town halls and project briefings.

#### **C. Equity Lens in Budget Requests**

Each LASAN budget request was evaluated utilizing equity metrics. Unfortunately, many of the cuts to vacant positions have limited our ability to maintain vital workforce

equity, service provision equity and outreach equity functions. Several positions dedicated for social equity hiring through the WED, Clean LA and TLH/Bridge to Jobs programs have been eliminated - reducing the department's ability to reduce barriers to entry into Civil Service via our Maintenance Laborer and Administrative Clerk positions. These positions are not only critical to LASAN's core service provision, but also serve as entry level positions to several promotional tracks in our collections, livability services, wastewater and clean water programs.

Likewise, elimination of the RCTO Academy eliminates the Department's ability to alleviate the financial barriers associated with obtaining the certifications necessary to promote to the RCTO classification. The average cost to obtain these certifications is \$3,500.

Elimination of positions in the Ambassador, PAO and Administration programs reduces the ability of staff to outreach to our most vulnerable communities regarding our services, and laws that we must enforce on behalf of the State or regulatory agencies. It also inhibits our ability to provide language access to all communities, almost ensuring that underserved communities have less access to critical services like illegal dumping and bulky item pick up due to lack of targeted outreach and awareness.

Finally, all budget requests were made upon evaluation of workforce equity factors - including equitable workloads. The elimination of vacant positions requires that less staff take on more and more work - as our services and regulatory requirements are non-deferrable.

## **Conclusion**

LASAN approached the FY 2024-25 budget with the goal of repurposing vacant positions to higher priority services using internal reassignments and through our proposed budget. Over the past year, we have executed several rounds of assessment and reassignment and intend to continue this effort as a standard resource management best practice.

As we gear up for the FIFA World Cup and the LA 28 Olympics, it's paramount that our City is fully prepared to address solid waste management, embrace a zero-waste approach, and encourage green business certification. Hosting such massive international events generates significant waste, from packaging materials to food waste and disposable items used during the games. Implementing effective waste management strategies, such as recycling programs, composting facilities, and reducing single-use plastics, is crucial to minimize the environmental impact of the Olympics. LASAN will continue our efforts to optimize and prepare for these historic events.

Thank you for your consideration, we will be prepared to discuss further during our budget hearing.