

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

DATE: April 21, 2017

TO: Honorable Paul Krekorian, Chair  
Honorable Mitchell Englander, Vice Chair  
Honorable Nury Martinez, Member  
Honorable Bob Blumenfield, Member  
Honorable Mike Bonin, Member  
Budget and Finance Committee

FROM: Enrique C. Zaldivar, Director  
Bureau of Sanitation



SUBJECT: **LA SANITATION – MAYOR’S PROPOSED BUDGET FOR FISCAL  
YEAR 2017-18**

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In concert with the Mayor's efforts to establish long-term fiscal sustainability for the City, LA Sanitation (LASAN) and its more than 3,000 employees recognize and are proud to be part of the City family's collective participation in developing a livable and sustainable City while delivering back-to-basics services. Mayor Garcetti's proposed budget addresses LASAN's budget priorities, with the following minor comments:

**1. General Administration and Support Program**

LASAN requested an Assistant General Manager to consolidate LASAN's external affairs activities, which are currently spread among six divisions and three Assistant General Managers. This includes the Regulatory Affairs Division, the Public Affairs Office, the Governmental Affairs Group, the Community Services Group, the Grant Administration Group, SANStat Coordinator, Marketing Manager, and the Clean Up Green Up / Neighborhood Council Liaison. In addition to leveraging and synchronizing the outward-facing work being done by these groups, this position will have a focus on environmental justice issues and will be responsible for integrating the Clean Up Green Up program into LASAN's executive management.

LASAN's ratio of employees to assistant general managers is much higher than the ratios for civilian Council-controlled departments. The table below shows LASAN in comparison to other large departments/bureaus.

The direct salary for this position for nine months is \$150,116 from LASAN's special funds.

**Comparison of Assistant General Manager Ratios  
 FY 2016-17 (unless otherwise noted)**

<b>Department</b>	<b>Employees</b>	<b>Asst GMs</b>	<b>Employees/AGM</b>
LASAN	3025	7	432
LASAN (2017-18)	3131	7	447
LASAN (2017-18)	3131	8	391

<b>Large Departments/Bureaus</b>	<b>Employees</b>	<b>Asst GMs</b>	<b>Employees/AGM</b>
DOT	1548	4	387
Rec & Parks	1424	5	285
GSD	1299	4	325
Street Services	1137	4	284
Building & Safety	1015	6	169
Engineering	786	5	157
Contract Admin	362	1	362
Contract Ad (2017-18)	362	2	181
Street Lighting	267	2	134

**2. Environmental Quality Program (EQP)**

a. Livability Services Division

LASAN is pleased with the new positions allocated for the Clean Streets LA (CSLA) and Public Right-of-Way Cleanup (also known as Homeless Outreach Partnership Endeavor or HOPE) programs, which will allow the programs to be staffed in a sustainable manner, rather than using staff borrowed from other programs and part-time employees. The additions listed below will help ensure that CSLA and HOPE provide the high level of service that is expected:

- i. While the new operations-level staff will allow the creation of a 5<sup>th</sup> Clean Streets Crew and the 5<sup>th</sup> and 6<sup>th</sup> HOPE teams to expand operations, the program does require additional supervisory support. In order to comply with LASAN's responsibilities outlined in the Mayor's Executive Directive No. 8 on the Clean Street Initiative, LASAN created a new program operating under existing managers. While this was an effective way to launch the new programs quickly, as they continue to mature and expand, it is time to revise the organizational structure to be more effective for sustainable operations.

Currently the EQP is comprised of 94 staff embedded in multiple LASAN divisions reporting to three different assistant general managers. The proposed budget adds another 51 positions to this program, for a total of 145 positions. The existing dispersed organization structure presents challenges in terms of communication, coordination, leadership, prioritization, distribution of resources, and budget monitoring and control. LASAN proposes to establish a new division, the Livability Services Division, dedicated to manage the EQP. The new division will greatly improve efficiency by:

- Providing centralized leadership and clear directions to staff; planning and prioritizing tasks much more effectively
- Eliminating duplicative processes and inefficient communications
- Centralizing the GF appropriations within a division, enabling staff to more effectively monitor budget and expenditures
- Optimizing the use of GF resources

LASAN proposes to centralize virtually all General Funded positions under the Livability Services Division, which will report to the Assistant General Manager for Solids Operations. In addition, LASAN requests the following new staff for the new Division:

**One (1) Solid Resources Manager II**

This division manager will manage the CSLA abandoned waste program, homeless encampments cleanups, public right-of-way enforcement, surveillance camera program, street indexing and receptacle program. The position will be the primary contact to report to City management, and attend meetings associated with each EQP program and handle its related intricate and complex issues.

**One (1) Solid Resources Manager I**

This assistant division manager will manage the activities of the service crews, including prioritizing work assignments based on CleanStat and other metrics, and act as the division manager in the division manager's absence.

The CSLA and HOPE crews are working in different parts of the City every day, not following pre-defined routes. The CSLA and HOPE crews work extensively with homeless encampments, which have rapidly evolving requirements for posting of cleanups and storage of belongings. The Program also requires frequent interaction with elected officials and community groups, with many evening meetings. Currently, much of this burden is rising to the higher level position of Assistant Director of Sanitation when it could be performed more efficiently by a Solid Resources Manager. The direct salaries for these positions are \$230,412, from the General Fund.

ii. The proposed budget does not include all of the expense funding that LASAN requested, including funding for the collection and proper disposal of hazardous materials, training for staff who interact with the homeless, and uniforms and safety supplies. This was funding that was left out of the FY 2016-17 budget and was not restored in the proposed FY 2017-18 budget. LASAN will monitor this amount and make service adjustments as necessary to stay within budget. One of the benefits of combining all of the employees working in these areas into a single Livability Services Division is to make the budget monitoring more effective.

### **3. Clean Water Program**

#### **a. Water Recycling**

The October 21, 2016 Controller's audit of LASAN's Recycled Water Program contained the following statement:

The largest obstacle the City faces in increasing its efforts to reclaim more water locally is the lack of infrastructure at its treatment plants and the funding to build infrastructure. While there are plans to equip the Donald C. Tillman Water Reclamation Plant in the San Fernando Valley with more advanced treatment systems, there are no detailed plans to upgrade the largest of its four treatment plants—Hyperion Water Reclamation Plant (HWRP).

On the same day, the Controller and Mayor sent a joint letter to the State Water Resources Control Board and the Department of Water Resources requesting them to remove funding caps for transformational water projects that can positively impact the entire state's water supply. This demonstrates how vital it is for LASAN to redouble its efforts in the area of water recycling.

LASAN has developed substantive conceptual plans for significantly expanding water recycling at HWRP, including increasing deliveries of recycled water to West Basin Municipal Water District and meeting new demand for Advanced Treated Water at LAX. Now is the time to transition to implementation of these plans.

LASAN submitted a budget request for eight positions to form a Water Recycling Group that will focus on the planning, concept development and implementation that will be required to significantly increase the local water supply. LASAN is revising this request down to two key supervisory positions – one Principal Environmental Engineer and one Environmental Engineer. The remaining six positions will be recruited from our existing ranks.

#### **One (1) Principal Environmental Engineer**

This position is requested to supervise the Water Recycling Section comprised of a six engineers and operational staff. This position will lead a multi-disciplinary project team, oversee the budget and use of resources, and will streamline efforts for continued development and construction of one of the largest water reclamation facilities nationwide.

#### **One (1) Environmental Engineer**

This position is requested to supervise the day-to-day activities of the environmental engineering associates implementing the program.

This group will be tasked with increasing recycled water production at HWRP in two phases. Phase I is geared towards designing, constructing and delivering 1.5 MGD of recycled water to LAWA and nearby uses including plant use by December 2019, with room to expand to 5 MGD. Phase II of expanding water recycling at HWRP involves LASAN's partnership with LADWP and the West Basin Municipal Water District to plan, design and construct facilities at HWRP that would produce 70 MGD of high quality water for recycling by 2027.

The direct salaries for these two positions for nine months are \$208,169, from LASAN's special funds.

#### **4. Watershed Protection Program**

##### **a. Arroyo Seco Urban Runoff Project 2 (Herman Dog Park)**

This project is listed on page 205 of the Budget with \$68,500 in funding from the General Fund instead of the \$680,500 requested. The City Administrative Officer has confirmed that this was an error rather than an intentional change, so we request that full funding be restored.

Thank you in advance for your continued support of LA Sanitation. If you have any questions or would like to discuss any of these items further, please feel free to contact myself or Lisa B. Mowery, LA Sanitation's Chief Financial Officer, at (213) 485-2210.

ECZ/LBM:cp

- c:     Members of the City Council  
       Ana Guerrero, Chief of Staff, Mayor's Office  
       Matt Szabo, Deputy Chief of Staff, Mayor's Office  
       Barbara Romero, Deputy Mayor, Mayor's Office of City Services  
       Greg Good, Chief of Legislative and External Affairs, Mayor's Office  
       John Chavez, Mayor's Office of Budget and Innovation  
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       Richard Llewellyn, Jr., Interim CAO  
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