

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

DATE: April 23, 2018

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

FROM: Enrique C. Zaldivar, Director and General Manager  
LA Sanitation



SUBJECT: **LA SANITATION – MAYOR’S PROPOSED BUDGET FOR FISCAL YEAR 2018-19**

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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 3,100 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. Livability Services Division**

LASAN is pleased with the new positions allocated for the Clean Streets LA and Public Right-of-Way Cleanup (also known as Homeless Outreach Partnership Endeavor or HOPE) programs, which will allow the provision of services to more areas of the City on a more frequent basis.

While the new operations-level staff will allow the creation of five Clean Streets Crews three HOPE teams (with a fourth in the Unappropriated Balance) to expand operations, the program does require additional management 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, high level managers are splitting their time between the Livability Services operations and their core responsibilities, such as curbside solid resources collection and watershed protection compliance. This does not provide the focus required by the Livability Services operations and puts the core operations at risk due to inadequate oversight.

Currently, Livability Services are provided by 128 staff embedded in multiple LASAN divisions reporting to three different assistant general managers (Attachment 1). The proposed budget adds another 73 positions to this program, for a total of 201 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 various

Livability Services initiatives. The new division will greatly improve efficiency by:

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

LASAN identified potential savings that could be generated by a unified division. These savings were accepted in the budget, but without the provision of the leadership positions required to generate them. LASAN requests the following new staff for the new Division (Attachment 2, highlighted in yellow and outlined in red):

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

This division manager will manage the CSLA illegal dumping 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 Livability Services 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.

**One (1) Wastewater Collection Supervisor**

This position will manage the work of the Operation Healthy Streets Team that performs cleanup work in Skid Row. This work has grown in both geographic area and in complexity, particularly with concerns about Hepatitis A. This position would supervise the crew that sanitizes areas after they are cleaned.

Livability Services requires frequent interaction with elected officials and community groups, as well as significant coordination with the Los Angeles Police Department and the Los Angeles Homeless Services Authority. Creating a unified division for these programs provides a single point of contact from LASAN who would have the authority and accountability to make all command decisions for this program.

The direct salaries for these three positions for nine months are \$302,675. LASAN requests these positions be added as unfunded authorities, to be funded by savings generated from the efficiencies gained in operations.

## **2. 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.

Currently, 215 million gallons per day (MGD) of secondary effluent is discharged from HWRP without being recycled. 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 in order to meet the goal of reducing imported potable water by 50% by 2025.

LASAN submitted a budget request for six positions to expand 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. Aside from the existing Principal Environmental Engineer, Environmental Engineer, and Office Engineering Technician assigned to the program, all other staff working on water recycling must split their focus with their other wastewater-related duties. In order to meet the aggressive project implementation deadlines to improve our local water resiliency, LASAN requires staff whose sole responsibility is implementing water recycling.

LASAN requests consideration of the following positions, in prioritized order:

**1) Two (2) Environmental Engineering Associates II and Two (2) Environmental Engineering Associates III**

These positions will work on negotiating agreements with LADWP, MWD and West Basin Municipal Water District, and other agencies. The positions will evaluate alternative technologies for treatment, prepare process reliability studies, and work with regulatory agencies to obtain approvals to implement the water recycling projects.

**2) One (1) Senior Environmental Engineer**

This position will oversee the development of a pilot facility to demonstrate the viability of the Membrane Bioreactor process to produce recycled water, the completion of an Environmental Impact Report, and attaining California Environmental Quality Act approvals for various water recycling projects.

**3) One (1) Environmental Engineer**

This position will supervise the Environmental Engineering Associates, report to the Senior Environmental Engineer, manage contract agreements, and work on studies required to obtain regulatory approvals necessary to implement major projects for water supply and water quality.

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 six positions for nine months are \$505,111, from LASAN's special funds (Sewer Operations and Maintenance Fund No. 760).

**3. Risk Reduction**

LASAN's Wastewater Collection System Division (WCSD) has 326 authorized positions, plus additional part-time employees, which is larger than many City departments. The quantity and severity of liability claims and employment litigation payouts can be reduced by additional supervisory oversight at every level of the organization to better ensure safety, professionalism, and the employee development necessary to prepare for the increased number of retirements during the next few years. It is recommended that the division be split into two manageably-sized divisions, similar to what occurred with the Solid Resources Collection Divisions. This would be a geographic split into Clean Water North Collection Division and Clean Water South Collection Division. This split would require three positions to provide management-level oversight:

**One (1) Sanitation Wastewater Manager III**

This division manager has authority and accountability for all operations and maintenance issues for the sewers, storm drains, and pumping plants within the geographic region; directs and oversees the implementation of policies and procedures necessary to attain goals, (including diversity goals) and reduce risk for a division of 138; and represents LASAN at City Council and Board of Public Works meetings.

**One (1) Sanitation Wastewater Manager II**

This assistant division manager directs operations and maintenance issues for the sewers, storm drains, and pumping plants within the geographic region; reviews managers' and supervisors' reports concerning claims against the City; and acts as Division Manager in his/her absence and does related work as assigned by Division Manager.

**One (1) Sanitation Wastewater Manager I**

This position evaluates policies, personnel usage, assignments, procedures, special problems, and work-in-progress; confers with Manager concerning Division procedures, policies, work programs, and personnel matters; reviews and makes recommendations on disciplinary actions; and Acts as liaison and confers with other City agencies regarding sewer, storm drain, and pumping plant problems and prepares reports.

In addition to this improvement, areas of the organization require additional first-level supervisors. WCSSD has two sections that provide City-Wide emergency response daily on night and weekend shifts, including holidays. Currently, these sections consist of 8 two-person crews and a supervisor. A supervisory ratio of 1:16 is too high, so these crews will be split into 2 groups for a 1:8 ratio. Having a second supervisor also provides redundancy in the event that one supervisor is called out into the field due to emergency situations such as sewer overflows, flooding event, traffic accident, sink hole, or a sewer collapse. LASAN requests the addition of the following positions:

**Two (2) Wastewater Collection Supervisors**

The direct salaries for these five positions for nine months are \$468,507, from LASAN's special funds (Sewer Operations and Maintenance Fund No. 760).

**4. Data Intelligence**

LASAN requests additional consideration of requests for positions to support the goal of providing more useful data and analysis to decision makers. LASAN captures a tremendous amount of data, but struggles with the next steps of presenting the data in the best format, which is frequently a map, and with providing thoughtful analysis so decisions can be quickly made. Currently, LASAN is utilizing as-needed employees and contract staff to provide these functions, but would prefer to use full-time City staff since this is an on-going need. LASAN did receive one Geographic Information Systems (GIS) Supervisor II position as a start, but requests consideration of the following positions to create a fully-functioning data intelligence team:

**One (1) GIS Chief**

**One (1) GIS Supervisor I**

**Eight (8) GIS Specialists**

**Three (3) Data Scientists**

LASAN had originally requested three Management Analyst positions, but with the understanding that the creation of a Data Scientist classification is moving forward, is willing to modify the request to the classification that is better suited for this work. The direct salaries for these thirteen positions for nine months are \$834,952, from LASAN's special funds (Solid Waste Resources Revenue Fund No. 508 and Sewer Operations and Maintenance Fund No. 760).

**5. Targeted Local Hire (TLH)**

On April 17, Personnel Department reported to the PAW Committee on the use of as-needed staff throughout the City and the potential conversion of that work to full-time staff. LASAN

requests the reconsideration of the following requests for work that is currently being performed by as-needed staff but which is long-term, should be performed by full-time City staff, and can be filled through the TLH process:

**Four (4) Administration Clerks** (solid resources support)

**Four (4) Maintenance Laborers** (curbside container replacement and mulch delivery)

The direct salaries for these eight positions for nine months are \$310,966, from LASAN's special funds (Solid Waste Resources Revenue Fund No. 508).

## **6. Liability Claims Support**

LASAN requests reconsideration of the recommendation to delete one Management Analyst position for Liability Claims Support. The position is in the process of being filled and will perform valuable work coordinating claims against LASAN with the City Attorney's Office, leading to faster resolution, typically at a lower cost to the City.

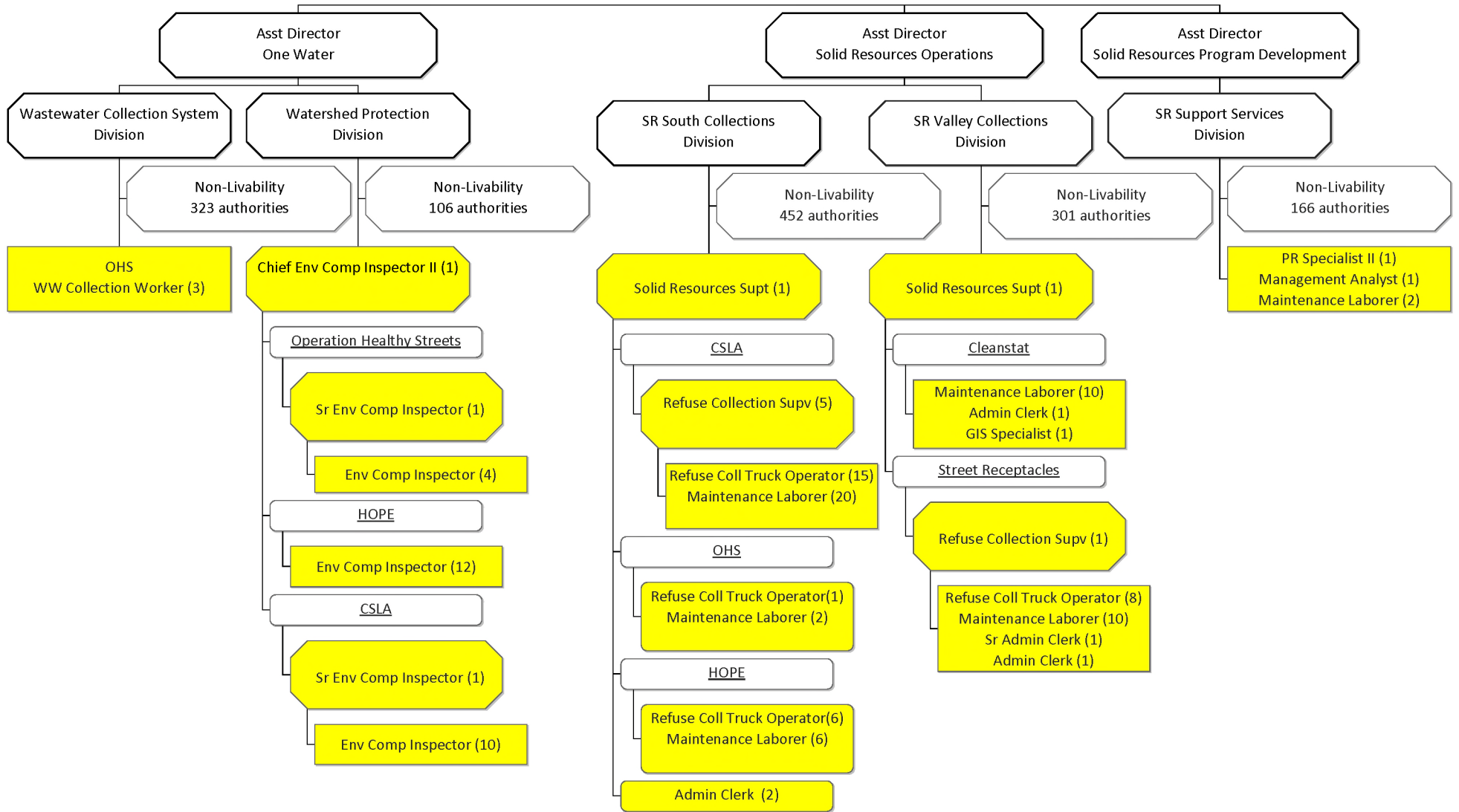
The direct salary for this position for twelve months is \$92,503, from LASAN's special funds (Solid Waste Resources Revenue Fund No. 508 and Sewer Operations and Maintenance Fund No. 760).

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:lg

### Attachments

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  
Miguel Sangalang, Deputy Mayor, Budget and Innovation  
Greg Good, Chief of Legislative and External Affairs, Mayor's Office  
John Chavez, Mayor's Office of Budget and Innovation  
Sharon Tso, CLA  
Richard Llewellyn, Jr., CAO  
Kevin James, President, BPW  
Heather Marie Repenning, Vice President, BPW  
LASAN Executive Team



LEGEND:

