

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: June 18, 2025

TO: The Honorable City Council
Office of the City Clerk
% Petty F. Santos
Room 360, City Hall

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

SUBJECT: **RESPONSE TO COUNCIL FILE NO. 25-0006-S20 - SPECIAL MOTION 20 INSTRUCTION TO REMOVE SANITATION SERVICE CHARGES FOR CUSTOMERS AFFECTED BY THE JANUARY 2025 WINDSTORM**

SUMMARY

This report provides the Los Angeles Department of Public Works, Bureau of Sanitation’s (BOS) response to the instruction from the City Council to remove refuse, recycling, green waste, and sewer service charges for ratepayers in the January 2025 Windstorm burn zones, effective Tuesday, January 7, 2025.

RECOMMENDATION

That the City Council receive and file this report.

BACKGROUND

On January 7, 2025, a Declaration of Local Emergency was issued by the Office of the Mayor due to the development of a windstorm with gusts exceeding 100 miles per hour and extreme fire danger conditions, including active fires in the Pacific Palisades and Hollywood areas. An updated Declaration was issued on January 13, 2025, after the extensive damage caused by the Palisades Fire and other fires in the City. By the date of containment on February 20, 2025, the Palisades Fire had affected more than 27,000 acres. Reporting as of April 2025, it is estimated that more than 5,000 homes and businesses, in addition to City infrastructure including parks, a library, a recreation center, retaining structures, and others were damaged or destroyed by the fires or were otherwise impacted.

On January 14, 2025, the City Council adopted Special Motion 25-0006-S20, which instructed the BOS to suspend its service charges for ratepayers in the burn zones, effective Tuesday, January 7, 2025.

DISCUSSION

The Los Angeles Department of Water and Power (LADWP) is the BOS’s billing agent for residential and commercial Sewer Service Charges, Solid Resources Fee (e.g. solid waste,

recycling, organics, and/or bulky item collection for single family, small multifamily, and certain larger multifamily properties), and Multi-family Bulky Item Fee (bulky item collection for recycLA serviced multifamily properties). These BOS-provided services are included as separate charges on LADWP's bi-monthly bills to customers. Collection services (solid waste, recycling, and organics) for larger multifamily customers (not serviced by the BOS) and commercial customers are provided by the recycLA service providers and billed monthly under the recycLA program.

In response to the January 2025 fires, LADWP closed billing for customers whose properties were completely destroyed or who requested that their service be turned off. LADWP also paused billing for customers in the Palisades area, unless they relocated their service to another area within the LADWP service territory. As BOS's billing is tied to LADWP's billing, BOS customers have not been charged for sewer and solid resources services since January 7, 2025. Athens Services acted to cease collection services and billing to recycLA customers in the Palisades area, and credit customers for January 2025, which was billed in advance.

It is expected that BOS's billing for sewer and solid resources services will resume when LADWP's billing for electricity and water services resumes. BOS, with LADWP, is working with customers in response to any service adjustment requests that are directly received. Athens Services is working closely with recycLA customers. For those customers whose service has been reinstated, at the customer's request, Athens has resumed billing.

FISCAL IMPACT

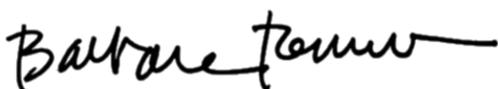
Receiving and filing this report has no fiscal impact.

The pause in billing by LADWP for Sewer Service Charge customers in the Palisades area is projected to impact the Sewer Construction & Maintenance Fund by \$3.1 million for FY 2024-25, \$7.2 million for FY 2025-26, and \$7.7 million for FY 2026-27.

Approximately 9,200 accounts that paid the Solid Resources Fee (SRF) and 1,000 Multi-family Bulky Item Fee (BIF) accounts have been affected by these fires. If these accounts continue to remain unbilled, the revenue impact to SRF and BIF would be an estimated reduction of \$2.0 million in FY 2024-25, \$5.1 million in FY 2025-26, \$6.4 million in FY 2026-27 and \$6.7 million in FY 2027-28.

If you have any questions or require further information, please contact Sarai Bhaga, Chief Financial Officer, at (213) 485-2210.

Sincerely,



Barbara Romero
Director and General Manager, LA Sanitation and Environment

The Honorable City Council
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BR:sb:eps:ldh

c: Councilmember Traci Park, Ad Hoc Wildfire Recovery Committee
Ryan Jackson, Office of the Mayor
Janisse Quiñones, LADWP