

CITY OF LOS ANGELES  
CALIFORNIA

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April 22, 2014

Honorable Paul Krekorian  
Chair, Budget and Finance Committee  
c/o City Clerk, Room 395, City Hall  
Los Angeles, CA 90012

Attention: Erika Pulst, Legislative Assistant

**GENERAL SERVICES DEPARTMENT(GSD) 2014-15 PROPOSED BUDGET**

As the City addresses the challenges of a recovering economy, GSD employees work on programs to help City departments improve the delivery of services to neighborhoods, create more sustainable facilities and fleets, and modernize operations. Below are a few key examples of the achievements GSD efforts yielded.

- This year, the department will complete energy conservation projects at 13 facilities. A total of 41 facilities have been retrofitted and will reduce energy consumption by 3 million kilowatt hours annually. GSD is partnering with DWP to fund future retrofit projects through low cost loans.
- Expanded the online Reverse Auction program, which allows suppliers to see competitors' bids in real time and encourages competing contractors to lower their bids. Recently, GSD awarded a Citywide copier contract that will save the City \$9 million over the five-year lease agreement.
- GSD will complete the installation of backup generators and security at 13 critical fuel sites. During a natural disaster or power outage, departments may be restricted from using fuel sites operated by LAPD and LAFD due to safety or security concerns. These alternate fuel sites strategically located throughout the City were identified for use by departments and are being upgraded.
- Replacing vehicle cooling systems on refuse vehicles. The use of these cooling systems will double the replacement cycle of coolant, improve performance and save 50% of the cost for labor and material.



- The Department completed a \$23 million agreement to lease and provide easements and rights of way at the City's 6-acre Mangrove property with the MTA, which plans to use the property as part of a regional connector light rail project.
- Installed an automated parking system at the three entrances to the City Hall East Garage. The new system will prevent unauthorized individuals from parking in the garage. GSD will also complete a new online visitor parking reservation system that allows authorized users to request permits via the internet. In addition, the department will install automated pay stations at its commercial lots. The automated stations accept coins, currency, and credit cards.

These achievements occurred even while GSD experienced a significant 30 percent reduction to its budget and 34 percent reduction in staffing in recent years. They exemplify GSD's commitment to continuous improvement and quality services.

## **SERVICE IMPROVEMENTS**

The Mayor's proposed budget includes funding to address problems associated with an aging fleet, potential petroleum price increases, and improve the energy efficiency of City facilities.

- Citywide Fleet Replacement Program - \$24.8 million

MICLA funding is provided to replace vehicles for various departments which include Public Works-Street Services, Recreation and Parks, Transportation and Animal Services.

- Petroleum Products - \$4.1 million

Additional funding of \$1.1 million is included, plus \$3 million set aside in the Unappropriated Balance. A total of \$49 million will be available to address Citywide fuel consumption in 2014-15. The proposed funding is based on current year projected expenditures and historical data.

- Vehicle Support - \$1.5 million

Additional Field Equipment (Parts) account funding from various special funds is provided to maintain vehicles and equipment used by these funds. The amount reflects anticipated expenditures based on the current and prior year records.

- Energy and Water Management Unit - \$0.4 million

This unit consists of four positions to provide oversight of the energy retrofit program at City facilities, including energy-efficient replacements of electro-mechanical building equipment, lighting systems, and the implementation of water conservation measures. There is also \$4 million in the CIEP budget

for energy audits, engineering and retrofit work that will be coordinated by this unit.

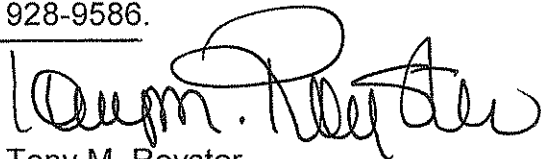
## BUDGET REDUCTION

GSD continues to do its share to improve the condition of the City's finances through budget reductions. The Mayor's proposed budget includes the following:

- Deletion of Vacant Positions (\$2.8 million)

A total of 16 positions across various GSD divisions will be deleted. In addition, funding of \$1.2 million is deleted from the Salaries General account. To ensure continued delivery of services from these positions, GSD will require flexibility in filling existing positions and will need to use Overtime or As Needed funds to address backlogs in Fleet, Building Maintenance, Custodial and other service areas.

We will work with your Committee and the City Council to adopt a budget that will allow GSD to provide the core services City departments require. For additional information, please contact Valerie Melloff, Assistant General Manager, at (213) 928-9586.



Tony M. Royster  
General Manager

cc: Budget and Finance Committee:  
Councilmember Paul Krekorian, Chair  
Councilmember Mitchell Englander  
Councilmember Paul Koretz  
Councilmember Bob Blumenfield  
Councilmember Mike Bonin

Rick Cole, Deputy Mayor

Miguel Santana, City Administrative Officer