County of Los Angeles
INTERNAL SERVICES DEPARTMENT
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"To enrich lives through effective and caring service"

October 19, 2015

To: Mayor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

From: Dave Chittenden
Chief Deputy Director

Subject: **BOARD MOTION OF SEPTEMBER 8, 2015, ITEM 3, DIRECT COUNTY SUSTAINABILITY COUNCIL TO PROVIDE AN ANALYSIS OF CREATING A CENTRALIZED COUNTYWIDE VEHICLE FUELS PROCUREMENT AND FUEL MANAGEMENT PROGRAM**

On September 8, 2015 your Board directed the County Sustainability Council (CSC) to submit a report to the Board in 45 days that includes an analysis of creating a centralized countywide vehicle fuels procurement and fuel management program within ISD. The analysis on a centralized vehicle fuels procurement policy and fuel management program should include the County's emergency and non-emergency vehicle fleets managed by ISD, the Department of Public Works, the Sheriff and the Fire District and should assess:

1. Centralizing the procurement and contract management of vehicle fuels within ISD on an on-going basis;

2. Developing standardized and regular reporting of total vehicle fuel usage, fuel spending, and commodities pricing;

3. Providing price risk management strategies that protect the County and departments from market pricing volatility, which should include input from the Treasurer and Tax Collector and the Auditor-Controller; and

4. Using fuel program revenues to support the County's established greenhouse gas emissions reduction programs, with a particular emphasis on "greening" the County's vehicle fleet.

The original 45-day report back date would be October 23, 2015. ISD has developed a proposal for centrally collecting, storing, and reporting on Countywide fuels consumption, budgeting, budget spend and fuels pricing. Upon execution of an agreement with a new gasoline fuels provider for the County later this calendar year, this program will be implemented. ISD has also worked with the Chief Executive Office, TTC and A-C in developing a proposal for gasoline procurement price risk management. ISD is in the process of developing a proposal for a program using fuels program budget which will emphasize "greening" the County's vehicle fleet. However, all of these proposals must be vetted by the CSC. The CSC Leadership Committee next meets on November 5, 2015.

We therefore are requesting an extension to December 3, 2015 to submit this report to your Board.

If you have any questions regarding this request, please contact me at (323) 267-2103 or have your staff contact Howard Choy at 323 267-2006 or hchoy@isd.lacounty.gov.

DC:HC

c: Chief Executive Officer
Executive Officer, Board of Supervisors
County Counsel
Treasurer Tax Collector
Auditor-Controller