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DAVID E. JANSSEN
Chief Administrative Officer

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Third District

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Fifth District

August 29, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

OFF-PEAK DELIVERY OF COMMODOTIES BOARD POLICY
(ALL DISTRICTS) (3 VOTES)

RECOMMENDATION THAT YOUR BOARD:

1. Adopt the attached Board Policy related to the off-peak delivery of commodities.

2. Instruct the Chief Administrative Officer and Director of Internal Services to implement the Off-Peak Delivery of Commodities Board Policy effective immediately with assistance from all County departments, as appropriate.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On October 25, 2005, your Board instructed the Chief Administrative Office (CAO) to (1) develop an off-peak delivery incentive policy for all County facilities and (2) send a letter to the City Managers and Mayors of the County's 88 cities, the Superintendent of Schools, MTA Board of Directors and the Chambers of Commerce encouraging them to adopt off-peak delivery strategies in their jurisdictions. The attached Board Policy was developed in consultation with the South Coast Air Quality Management District (SCAQMD), Internal Services Department (ISD), and affected County departments in an effort to develop an appropriate off-peak delivery program for Los Angeles County.

The off-peak delivery program outlined in the proposed Board Policy provides the basis for an initiative to reduce delivery activities at County facilities during early morning and late-afternoon hours as a means of reducing congestion and vehicular emissions during these peak commute periods. An incentive model similar to the SCAQMD program contemplated in the Board Order is not recommended at this time due to conflicts with

existing County purchasing rules that require contract awards to the lowest cost responsible bidders, the extensive monitoring and documentation required at each County facility that would be associated with a program that involves monetary penalties for non-compliance, and determination based on consultation with SCAQMD that the utilization of a similar incentive model may not result in a significant increase in the number of planned deliveries during the prescribed delivery window.

The SCAQMD model provides additional bonus points in the solicitation award process for vendors agreeing to the terms and conditions of their off-peak delivery program. Vendors that are determined to be in non-compliance are assessed a two percent of total purchase order financial penalty. To date, SCAQMD has indicated that no vendors have elected to request the incentive and commit to the off-peak delivery window.

The proposed Board Policy considers several opportunities for County departments to promote an off-peak delivery window. The main focus of the Board Policy, however, is trips generated in the delivery of commodities. Commodity agreements generally result in the need for regular deliveries to County facilities. The inclusion of appropriate language into solicitation documents and subsequent contract awards for the provision and delivery of commodities will require vendors to take appropriate steps to jointly plan with County departments to schedule off-peak deliveries at County facilities. Facilities shared by multiple County departments shall be strongly encouraged to coordinate planned deliveries by a single vendor during the prescribed off-peak delivery window.

Exceptions to the Board Policy must be approved by affected County departments. Permanent exceptions to the Policy, resulting from departmental business models that require deliveries during peak commute periods, will be made in writing to the Chief Administrative Office and Internal Services Department. The Off-Peak Delivery Board Policy is not intended to cover special departmental requests and emergency situations that require deliveries that may fall outside of the prescribed delivery window. County departments will be responsible for assisting the Chief Administrative Office and Internal Services Department in the implementation and monitoring of the terms included in the contract award.

Upon approval, the Chief Administrative Office would evaluate the effectiveness of the Board Policy and report back to your Board with any additional recommendations or changes. This evaluation process and any subsequent modifications will be critical to the potential utilization and long-term viability of the Board Policy.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of the Board Policy is supportive of the County's Strategic Plan Goal of Organizational Effectiveness, providing for effective and goal-oriented service delivery systems.

FISCAL IMPACT/FINANCING

Approval of this Board Policy will not produce a direct fiscal impact. The costs associated with the implementation and monitoring of the program will be absorbed by affected County departments.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The prescribed off-peak delivery window to be promoted under the proposed Board Policy requires deliveries to be initiated at County facilities between 9:00 a.m. and 3:30 p.m., Monday through Friday, on regularly scheduled County business days. The Internal Services Department shall develop appropriate language for solicitation documents and contract awards that will require vendors to take appropriate steps to jointly plan with County departments to develop off-peak delivery schedules at County facilities.

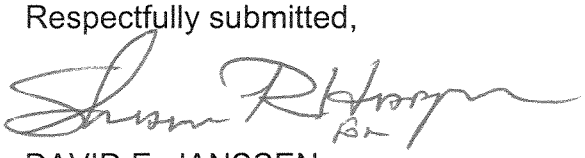
The Board Policy, if approved, would be scheduled to sunset, unless otherwise extended, on June 30, 2010. In an effort to provide background for the sunset review process, an annual program review would be instituted to determine the overall effectiveness and impact of the Board Policy. The annual program review will be prepared by the Chief Administrative Office. During the first year of implementation, the program will be closely monitored to ensure County departments work with vendors to promote the Board Policy. We will report back to your Board if further action related to the Board Policy is required.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed Board Policy is designed to provide sufficient flexibility for County departments to jointly plan with vendors to target deliveries during the off-peak delivery window while preserving the need to schedule peak deliveries resulting from specific operational issues and emergency or specialized orders. Compliance with the Board Policy will result in reduced traffic and vehicular emissions during the peak commute periods.

Upon approval of the Board Policy, the Chief Administrative Office shall comply with your Board's instruction to submit correspondence to the County's 88 cities and other prescribed agencies and organizations encouraging the adoption of off-peak delivery strategies within their jurisdictions.

Respectfully submitted,



DAVID E. JANSSEN
Chief Administrative Officer

DEJ:DL:SK
DD:kd

Attachment

c: County Counsel
Executive Officer, Board of Supervisors
Director, Internal Services Department

Off-Peak Delivery Policy Board Letter.doc

Los Angeles County
BOARD OF SUPERVISORS POLICY MANUAL

Policy #:	Title:	Effective Date:
x.xxx	**Off-Peak Delivery of Commodities**	xx/xx/xx

PURPOSE

Establishes County criteria and procedures to be used in encouraging vendors doing business with Los Angeles County to schedule deliveries, pickups, and other required vehicle trips during off-peak hours as a means of reducing congestion and vehicular emissions during morning and afternoon commute periods.

REFERENCE

October 25, 2005 Board Order, Agenda Item Number 10

POLICY

It is the policy of the Board of Supervisors that County departments promote off-peak deliveries and pickup of all commodities by County vendors between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled County business days. The purpose of this policy shall be to reduce vehicle trips and vehicle emissions during the morning and afternoon commute periods. For purposes of this Board Policy, the trip shall be deemed to be compliant if the actual time of delivery provides for arrival at the County facility or location on or after 9:00 a.m. and the delivery or pickup is initiated at the County facility or location on or before 3:30 p.m.

I. Solicitation Documents/Contract Awards

The Internal Services Department (ISD) shall include language in solicitation documents for the acquisition of commodities, as appropriate, that acknowledges the Off-Peak Delivery of Commodities Board Policy. Subsequent contract awards for commodities shall include language that requires each vendor, unless otherwise instructed by authorized County department personnel, to confer with County departments to schedule, as appropriate, regularly planned trips to County facilities and locations between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday. County departments shall be responsible for determining the need to include similar language in agreements utilizing the department's delegated authority for services that contemplate regular deliveries to County facilities.

II. County Department Responsibilities - Delivery and Pickup Scheduling

County departments shall promote the Off-Peak Delivery of Commodities Board Policy by ensuring that vendors comply with mutually agreed upon schedules related to off-peak deliveries and pickups. Departments, as needed, shall advise ISD of any ongoing violations of any specific terms related to off-peak deliveries that are included in contract awards.

County departments co-located at facilities that are serviced by the same vendor shall make every effort to coordinate off-peak deliveries and pickups between the vendor and other County departments at the facility.

Emergency, special orders, and other non-conforming deliveries and pickups specifically requested by County departments **shall not** constitute a violation of the Board Policy. In addition, circumstances documented by the vendor to the satisfaction of the affected County department that are outside of the control of the vendor that preclude adherence to the Board Policy **shall not** constitute a violation of the Board Policy.

If circumstances related to department operations preclude regularly scheduled deliveries between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, the department shall notify the vendor of any exception(s) allowable under the Board Policy. If such circumstances are permanent in nature, the department shall notify the Chief Administrative Office and ISD of their intent to exclude the affected contract(s) and/or commodities from the provisions of the Board Policy.

County departments doing business with non-commodity related vendors that schedule regular trips to County facilities shall, to the extent feasible and appropriate, encourage such vendors to schedule such trips to their facilities between the hours of 9:00 a.m. and 3:30 p.m., Monday through Friday, during regularly scheduled business days.

RESPONSIBLE DEPARTMENT

The Chief Administrative Office shall provide oversight for the Off-Peak Delivery of Commodities Board Policy. The Chief Administrative Office shall coordinate the implementation of the Board Policy with the Internal Services Department and other affected County departments to ensure effective operation of the program.

DATE ISSUED/SUNSET DATE

Issue Date: **Sunset Review Date:** June 30, 2010