



Los Angeles, CA 90012



THE ALIVE! INTERVIEW

with Karl Guder, Principal Storekeeper



Supplying What's Needed

On Sept. 4, Club Vice President of Operations Robert Larios and Alive! editor John Burnes sat down with Karl Guder, Principal Storekeeper, 28 years of City service, Club Member, to learn about how General Services/Supply Services keeps the City well sourced with parts and materials, and then salvages them properly.

Karl, thanks for taking us on a tour of the warehouse here at Piper Tech. What's your career path? How did you get to where you are now?

KARL: Well, I started as a temporary Warehouse Worker with the Department of Water and Power, and progressed up the Storekeeper chain with them. Eventually I was hired by Sanitation as Principal Storekeeper, and then General Services took over the store's functions from Sanitation, about 15 years ago. At that point, I became a General Services Principal Storekeeper, and then was transferred to other assignments with General Services.

Got it. What is the mission of the Supply Services Division?

KARL: Generally, it's to have the materials needed by City Departments and employees available and delivered to them as they are needed.

Describe the division structure and how it works.

KARL: Sure. We have a procurement staff located at City Hall South, who primarily work on our contracts for the goods and services that we use. Our store structure is such that this is the main hub warehouse for all of those supplies and services that the other departments use. We distribute those items to wherever they are needed at any office desk within the City. We feed other smaller warehouses as well as other customers, and provide them, both, the delivery of items and the pick up of items that they use in the course of their line of work.

You carry a lot of items. Can you describe the wide range of materials that you carry?

KARL: We carry everything from auto parts to street-sweeping compounds to animal food; many custodial parts, street signs, street lights, electrical items, wire; many items used by Street Services, like barricades and street signs and aniall the pet food that they use and other commodities that they use. It's a broad scope of commonly used items that the City consumes.

Which departments are we talking about primarily?

KARL: Primarily our biggest customers are the LAPD, LAFD, Street Services and Custodial Services. Those would be our big groups.

And Animal Services?

KARL: Sure, Animal Services, Construction Forces, just about everyone. But a big need is auto parts, so we supply all the auto parts not only for LAPD and Fire, but for the General Services maintained

You were telling me, just on the walk back here that you actually have personnel in warehouses throughout the City, too. We're in the major hub facility here, but you also staff other ones, too?

KARL: Yes. We have approximately 24 other warehouses, roughly half of which are staffed. I do not directly supervise that group but they are part of the Supply Chain

And those are primarily, although not exclusively, for the LAPD?

KARL: Correct.

How big is this central warehouse?

KARL: Overall, this is a 300,000-square-foot storage warehouse. So if you were to add up all the floors and the air space that's what you're looking at.

This is a huge facility.

KARL: Right. Now, size-wise, it's a close second to the Hyperion warehouse, which is also part of General Services Supply Chain Services.

Can you tell me numbers on what you have in the hub warehouse here?

KARL: I sure can.

What's the value of what you have stored here?

KARL: Let me rattle off some numbers for you. Our total stock as far as independent line items that are in this warehouse is 3,230. If you were to add all the line items from all those warehouses that we talked about, we have 40,000 separate line items, almost 41,000.

KARL: We have a total of 59 warehouses; 24 of those are staffed. So otherwise, they're just like little warehouse tool sheds, tool closets or cages, where mechanics would go to get the part. We keep track of what they use. They write down what they use. We replenish it. But if it's a general use item, then once all these orders for brake pads come in, we would deliver the brake pads to a warehouse, where they then get distributed. We ship about 400 separate line items per day. We have 12 delivery drivers. Like I mentioned, four of those are part time. In this warehouse right now, we have \$3,335,441 worth of inventory.

So given the size and scope then, what are some of the challenges that you might see in a facility like this?

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General Services

Photos by Angel Gomez, Club Director of Sales

With tens of thousands of items at the ready, General Services' Supply Services Division, the warehousing group, keeps the City well supplied and humming along.

> f you're a City employee, and you need it, replace it, install it, fix it, clean it, write with it, recycle it, salvage it, auction it or pretty much use it in any way, it comes courtesy of General Services' Supply Services Division.

> The Division staffs and manages five major warehouses and a total of 55 warehouses throughout the City. The DWP staffs and manages its own warehouses.

Mission and Organization

The Supply Services Division's mission is to procure all supplies, equipment and services in a cost-effective and timely manner.

The Supply Services Division is organized and comprised of six Commodity Groups and three Support Groups. The Support Groups







They Got That



Vasconcelos, Warehouse and Tool Room Worker I, 14 years.

for conducting the purchasing and competitive bidding activities in accordance with the City Charter, policies, ordinances and applicable laws.

Award-Winning

In 2004, the Supply Services modernized its fragmented, paper intensive purchasing process. With the new system, the City reduced supplier contracts by 55 percent, reduced the cost of contract purchase orders by 91 percent, reduced the supplier payment cycle from 42 days to nine days, and captured an average of 98 percent of early payment discounts. Overall, the City is experiencing \$2 million in annual savings and won an honor by PeopleSoft, the maker of the management

For more information, go to: gsd.lacity.org/sms/sms.htm



Central Warehouse

The twin goals of General Services/Supply Services are storing up all the supplies the City (except the DWP) will need, and then salvaging what can be recycled on the open market.

Here's a look behind the scenes at the Central Warehouse in Piper Tech downtown.









Receiving: 'Home Depot World'

This area stores thousands of new, seemingly everyday items including custodial solvents, cleanser, brooms, new tires, Street Services cones, brakes/batteries/antifreeze for LAPD vehicles, carpet, and many more items. This warehouse stores 90 percent of the carpet for City Hall and its surrounding buildings.



Mendoza, Storek<mark>eep</mark>er, 26 years.

Shipping Dock

From this dock the Central Warehouse ships materials to all City departments.



LAPD Auto Parts

Various auto parts for the thousands of LAPD vehicles are stored here.

Animal Feed

Supply Services stores all feeds used by Animal Services here, in a temperature-controlled environment.





Issuing Office

The will-call counter in the Issuing Office processes the transactions via computer/SMS system, but can also handle last-minute orders.





Flammables

All aspects of safety are employed as Supply Services stores flammable and combustible materials.



First-Aid Materials

These materials are used in first-aid kits in LAFD Fire Stations, LAPD jails and for general office use.



Ordering Section

In charge of taking and placing orders and replenishing stock are (from left) Kim Heng, Storekeeper II, 7 years of City service; Collins C. Eke, Storekeeper II, 16 years; Karl Guder, Principal Storekeeper, Club Member, 28 years; Baltazar "Jr." Mora, Sr. Storekeeper, 16 years; and Ben Perez, Sr. Storekeeper, 30 years.

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KARL: Our major challenge is staffing and personnel. It takes people to order the stuff, to pull the stuff to fill the orders, and to ship it out. We've seen a significant staff depletion through attrition and transfers that has greatly impacted our ability to perform at the levels that we would ideally shoot for. That would be our biggest challenge.

Salvage and E-Waste

Salvage is a huge deal. People think about warehousing and supply, but in this day and age, salvage isn't like it used to be. It has to be carefully managed. Talk about the size of the salvage and the auctions and the things that you take care of it as they leave the City ownership.

KARL: Right. For the most part, all City equipment runs through salvage in that the purchase order that was used to generate that procurement has our salvage address on there. We are the repository of all the titles and registrations for virtually every vehicle that the City maintains, which is more than 20,000 vehicles right now. As these items come through their normal life and are replaced, then we go about disposing or selling of the used equipment. We use a public auction house, Ken Porter, and we sell approximately 750 vehicles a year through them, along with a lot of other miscellaneous equipment. We generate that five-digit number that you see on the side of trucks. So we touch almost every piece of equipment that the City operates.

Karl Guder, Principal Storekeeper.



E-Waste, that's a carefully handled thing now, isn't it? Talk about managing E-Waste.

KARL: Since there are strict regulations involved in the disposal of E-Waste, we have to adhere to strict standards in their disposal. The mayor has just started a computer and monitor recycling program, where those items are being refurbished and donated to charities within the City. Anything other than that is processed through our salvage group, where we nalletize all the items and contracted vendor properly dispose of the material so that it doesn't wind up in a landfill or overseas at some other disposal sight.

Tires are a big deal. We saw lots of stacks of tires; new and used. How do they go out as salvage?

KARL: For tires and several other items like street signs and other marketable commodities, we send out bids to businesses. We also post these things online at a service called Public Surplus, which is kind of a governmental eBay-type service. So we sell those things. We manage the deposit of the money and we see that the money gets deposited into the right department and fund so that it gets to the source of the revenue that was used to spend.

But it is all business to business, right?

KARL: Yes. It's all business to business. The public is invited to bid on the items at Public Auction, at Ken Porter. That includes City employees, but we do no direct sales to City employees, other than that retirement Gun Buyback Program that police can partake in.

Explain that for a second.

KARL: Sure. So all police officers, when they retire, have the option of buying back their service revolver. That cash transac-

tion happens in the salvage warehouse. We receive the money, issue a receipt, and deposit that money back into the City's general fund, and then they get to keep their revolver as a token of their service to the City.

There's a lot of paperwork involved in that, too?

KARL: Correct. There's a Weapon Certificate and other retirement paperwork that they have to get prior to even coming to us, and then when they come to us, the receipt that we generate includes the gun number, the registration number, and the Weapon Certificate number that was issued by the Retirement Board.

What have been some of the more unusual items that have gone through salvage?

KARL: Wow, every week is something weird. Like we saw on the tour, we have this LAPD weight scale for detecting whether a vehicle might have a bomb on it or not. We've also seen some other weird things from Police Supply, like a bulletproof bunker that goes on the back of a Humvee that we actually had to sell at auction. A helicopter I guess would qualify as kind of a weird item. We occasionally get those. Fire trucks and fire ambulances are a routine thing. But every once in a while we see some off-the-

You mentioned that occasionally City Council proposes to donate certain items to other cities or municipalities.

KARL: That's right. A lot of times, we might hear about a donation to a nonprofit or a charity or maybe a foreign government or an ambulance or a fire engine, or something like that, for \$1. That is a Council motion that has to get approved by Council, and when that happens, that actual cash transaction for the \$1 and the associated paperwork, the title and the keys and the signing off of the Council motion happens in the salvage office. So that happens on semi-frequent occasions, where we have to administer that Council motion for donation, out of our office.

It's important to state that we recoup between \$3 million and \$4 million a year, easily, in salvage sales to Public Auction and private business to business. That's a substantial amount of money that the City would not see if we weren't doing our job properly. We have no interest in that revenue stream. It goes right back to the generators of it, every penny. We don't keep a percentage hold for our handling. It's more of a service that we provide than anything else.

Good for City Departments

For all the City employees who are reading this, what would you want them to know about procurement and salvage?

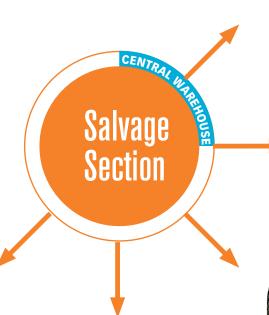
KARL: Well, regarding the salvage operation, they should know that not only is salvage a place to send your obsolete equipment, but it may also be a place to procure some equipment that you might need for your office. We welcome visitors, City employees, to tour our inventory, and if they find something that they're interested in, they can very easily take it with them for City Department use. We have a simple form that they have to fill out, but they are invited to do that during our normal business hours.

Our warehousing group is a very big and integral part of the every day, day to day items that they use in their line of work. We have a delivery fleet that not too many people know about. We have 12 drivers who will deliver to any desktop in the city, and they routinely, as part of their normal runs, work with and distribute to fire departments, all the fire stations, the battalions, most every police station and all the other various department offices in various office buildings throughout the City, along with other places like the Harbor and North Valley to South Valley sanitation yards. I didn't mention all the trash trucks – all of their parts are maintained here, and we routinely restock their inventory. So all these Sanitation Yards that take care of trash trucks, we have a small warehouse there.

Part of our job, too, is to determine what is being routinely used, and then determining if can we get a bulk purchase discount. Is it more feasible to have a bulk shipment made? That's what the distribution center is for. So a lot of the things that people might be procuring on their own, through other

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ALIVE! FEATURE





Office Furniture

Used office furniture is also sold at auction. The offices of most employees in the Supply Services Division feature furniture salvaged from other City departments.



Signs

Old signs are sold to scrap metal vendors.



Miscellaneous Cages

These cages store anything from car seats from LAPD vehicles, stoves from Fire Stations, and any number of other items to be auctioned.



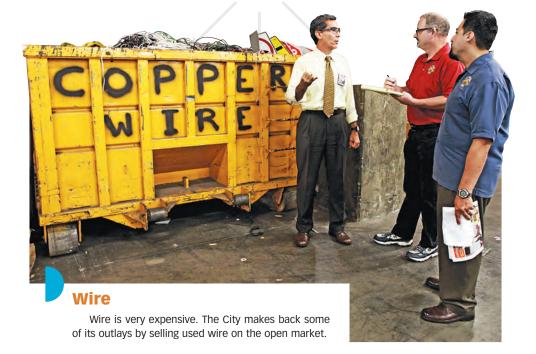
Used Tires

All four tires are replaced at the same time on most City vehicles. There is a healthy market for used tires, so the City sells them to auction houses.



E-Waste

Under one of the mayor's new programs, the City is donating select end-ofuse computer and technology equipment to nonprofits. Non-refurbishable technology equipment is disposed of via contract vendor to an ecologically sound landfill. This is a strictly controlled process.



Other Main Warehouses

Rec and Parks Warehouse

General Services/Supply Services maintains a large warehouse just for the needs of Rec and Parks. This warehouse in Los Feliz carries more than 3,000 line items worth approximately \$2 million.

The team is (from left) Kenny Minfield, Warehouse and Tool Room Worker, 8 years of City service, Club Member; Hector Hernandez. Warehouse and Tool Room Worker, 2 years; Darron Riley, Warehouse and Tool Room Worker, 4 years; Mark Reyes, Delivery Driver II, 1 year, Club Member; Debbie Samarini, Storekeeper II, 26 years, Club Member; and Mark Campos, Storekeeper II, 26 years, Club Member. Not pictured: Sylvia Perez, Storekeeper II, 25 years, Club Member; and Paulo Ramirez, Warehouse and Tool Room Worker,



Public Works/Street Lighting Warehouse

Supply Services manages the materials needed for Public Works/Street Services, including all the energy-saving LED fixtures being used to replace older street lighting throughout the City. *Alive!* reported on that project four months ago; the LED lighting materials are behind the employees pictured below.

This warehouse is within the Street Lighting facility on Santa Monica Boulevard near Silver Lake.

From left: Mike Dunivan, Storekeeper, 15 years of City service; Elias Flores, Storekeeper, 15 years; and Jeff Hatchett, Acting Principal Storekeeper, 28 years.



Public Works/Sanitation Warehouse

Supply Services manages all materials needed for Public Works/Sanitation system wide from one large warehouse in the Hyperion Treatment Plant in Playa del Rey. This warehouse, the largest in the General Services/Supply Services inventory, carries more than 22,000 line items worth approximately \$8.4 million.



The Hyperion crew is (from left): Oscar Villanueva, Storekeeper II, 24 years of City service; Rosie Festich, Warehouse Worker II, 7 years; Alice Gabourel, Storekeeper, 18 years, Club Member; (back row) Timothy Caputa, Warehouse Worker II, 25 years; Jay Alexander, Warehouse Worker II, 11 years, Club Member; Ronald Rodriguez, Sr. Storekeeper, 31 years; and Antonio Byrd, Warehouse Worker II, 11 years, Club Member. Not pictured: Alvin Goya, Storekeeper II, 15 years; and Johnny Button, Warehouse Worker II, 12 years, Club Member.





From left: D.J. Jackson, Storekeeper II. 20 years of City service: Karl Guder Principal Storekeeper, 28 years, Club Member: Dorla Crawford, Storekeeper I, 24 years; and Nathan Hall Storekeeper II, 30 years.

Processing/Intake

Supply Services manages the purchasing, processing and salvaging of most City vehicles. The main desk processes orders, cash transactions, salvaging and the paperwork for most of these City vehicles. The staff here manages more than 25,000 vehicle titles for the vehicles for LAPD, Airports, Harbor, LAFD and General Services/Fleet Services.

Supply Services sells more than 800 City vehicles per year through business channels. The division is also in charge of purchasing new helicopters for the LAFD and LAPD. They're in the process of purchasing one now.

This office also handles donations as requested from the City Council, and the paperwork and fee transfers of transactions involving retiring LAPD Officers they can purchase their service revolver if they so choose.

All recovered revenues are returned to their respective departments.

Stacy Thacker. Sr. Clerk Typist 25 years of City service, Club Member.



Helicopter Maintenance Warehouse

The helicopter maintenance warehouse carries approximately 2,500 line items with a value of between \$2 million and \$3 million.



Supplying the needs of those maintaining the City's helicopters (plus one fixed-wing aircraft) at the Air Support base in Van Nuys are (from left) Jeff Mowery, Sr. Storekeeper, 25 years of City service, Club Member; and Dan Graham, Storekeeper, 20 years, Club Member Not pictured: Mike Divita, Storekeeper, 19 years; and (night crew) Robert Angulo, Storekeeper, 34 years.



Dan Graham, Storekeeper, 20 years of City service, Club Member (right), fulfills a parts order from Luis Mancillas, Mechanic, General Services/Fleet Services, 12 years.

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means, might be able to more easily be procured right here from the distribution center, and be much less headache for the department. So for the employees who are reading this, they might find it more advantageous to use the distribution center as a first point of contact, instead of their other normal procurement methods.

Delivery Within a Week

What's changed? What are the trends?

KARL: I think that the whole Amazon-ing of America has made everyone get spoiled on next-day delivery, and ask us, "Why isn't it here yet, and why don't you have something in stock?" We're constantly striving to improve our service. We are working with lower staffing levels than we've ever had, and continue to suffer from not having the staff necessary to meet those objectives. We're trying to modernize. We've recently implemented a new computer system to help people out with doing a shopping cart kind of thing. As far as procuring items that are not in inventory, they can go through our supply management system, and there's a feature there, an e-procurement system that they can use to get that to do stock, to get stuff out of the warehouse. Again, they can go through the Internet to do that. They don't have to fill out the carbonless paper forms that some people still do.

We're trying to wean people off of the handwritten paperwork and to have that data entered directly online. We now have terminals set up there at the Will-Call counter and other places so that the employees can do the data entry right then and there instead of having to write it out and then having us do the data entry of that paperwork that they've generated.

We've also tried to consolidate deliveries and work with our customers to more adequately or more fluidly work on the delivery schedules. A lot of times, somebody would want something right here and now. Well, if they wait a day, as part of our routine run, we can get it to you at that time. Our customers have been very accommodating. They are also in the same kind of straps that we are in. Many times we can work out a mutually agreeable compromise that works out.

As far as moving forward, our computer system will have to be revised, and we look forward to some improvements being made in the upcoming system, if and when that

What are your delivery times, generally?

KARL: We can deliver to any desk in the City relatively quickly, surprisingly quickly. From the date of order, our average fulfillment rate is less than seven days. From the date of that order, that person will have it generally within the next couple of days, and occasionally in four or five days, but very rarely beyond that. I think that's an aspect that a lot of people don't see because it's happening in the background and it's working. If it didn't work, if it wasn't happening, we'd hear about it. But the fact that it is working is testament to the fact that the staff here is doing their job.

An Important Job

How important is the Supply Services Division to the running of the City?

KARL: Of course I have a prejudiced look on it. But I would say that it's one of those critical links in the chain that if it weren't there, there would be a hurdle for people to navigate over. I think that, as our customers become more familiar with what we have and how we work, they will tend to rely on us much more as a crutch to get them

through problems or issues that they might have. If we weren't here, it would be much more tedious for staff to procure routine items. It would also be more expensive for them to do so, because they would have to negotiate their own pricing, and they would have to administer the PO and they would have to receive the items properly, and they would have to do the payment services for those items. We are a nice shortcut for them to get their work done more efficiently.

So in all, if we weren't here, the City would be working substantially less efficiently than it currently is.

What's the history? There has to have been a warehousing or supply services in the City for a long time.

KARL: Right - there was always a warehousing facility. It's gone under different names. But a big break and change happened back in 1998 when a project was initiated by City Council to consolidate and centralize all of these renegade procurements that were going on out there, and by doing so gain a great deal of efficiency. That's really what centralized this warehouse as the hub, primarily because of its location and size. So before that we were doing a lot of stationary supplies and other small things to small groups. But when the consolidation project came in, we became the hub of the receiving and distributions for the General Services commodities.

It probably saved the City a lot of money by buying in bulk.

KARL: There was a substantial investment, of course.

KARL: But in the long run, yes, that's the whole idea, to buy in bulk. There are a lot of things that the City uses that take a long time to fabricate. It's just not an off-the-shelf item. You have to have some kind of special drawings associated with it. They have specs. They have to be approved, all that stuff. So again, having one place that does all of it instead of, "Is there a new spec at Joe's warehouse, or is there something else happening over here at Fred's?" It standardizes and makes things better.

Great Crew

Right. Karl, talk about your crew and how hard they work and how dedicated they are.

KARL: All the kudos go to them. They are working at a skeleton crew level, compared to what they were just a few years ago. We had about twice as many employees five years ago as we do now. And given the fact that we've actually taken on extra responsibilities and duties, our performance levels have increased since then. We've worked on a lot at streamlining and trying to make things easier for the crew. But they really deserve the credit for pulling the items off the shelf, doing it in an efficient manner, packaging it properly, shipping it properly, making sure that it's what the customer ordered. They're the ones who receive the telephone calls. They're the ones who get the payment services notice that the invoice doesn't match. They're the ones who reply to the vendor who says that their truck got a flat tire and they can't deliver and it's something that we need.

They've really rededicated themselves to making it work, and they take a great deal of pride in their work. You can see by just the cleanliness level and the work ethic that they have that they really are an excellent staff. We wouldn't be able to do what we do without them.

Karl, thank you for the tour and for everything today. We really appreciate it.

KARL: You're welcome. Thank you. ■

