

# Agenda Report

April 26, 2004

**To:** City Council  
**Through:** Municipal Services Committee  
**From:** City Manager

**Subject:** Purchase of Seven Hybrid Electric Vehicles for Use by Water and Power Meter Readers from Colonial Honda and Rejection of All Bids for Gasoline Powered Trucks

## RECOMMENDATION:

It is recommended that the City Council:

- 1) Accept the bid dated March 30, 2004 submitted by Colonial Honda in response to specifications for the purchase of seven Hybrid Electric Vehicles (HEV);
- 2) Reject all other bids;
- 3) Reject all bids in response to specifications for the purchase of six gasoline powered trucks; and,
- 4) Authorize the issuance of a purchase order contract to Colonial Honda for an amount not to exceed \$143,973.

## BACKGROUND:

Staff's recommendation regarding the purchase of HEV's incorporates both a policy decision and a procurement decision.

The purchase of HEV will demonstrate the City's commitment to be an environmental advocate and a leader in environmental protection. It will showcase fuel efficient and commercially available advanced technology to meet some of the Pasadena Water and Power (PWP) transportation needs. HEV produce about 90 percent fewer smog-forming engine emissions of a typical new vehicle. In addition to the air quality benefits provided, the HEV contributes to energy security and reduces green house gas emissions.

PWP currently has six electric vehicles (EV), which are used by the meter readers, under a lease from the Ford Motor Company. In January 2003 Ford Motor Company notified PWP that it intends to cancel all EV leases effective in June 2004. In March 2004 three of the six vehicles have already been returned to Ford.

In order to provide replacement vehicles for the meter reading staff, specifications for the purchase of six gasoline-powered compact vehicles were issued on January 22, 2004. Bids were received on February 10, 2004 as follows:

1. Reynolds Buick/GMC	\$92,321.81
2. Sopp Chevrolet Truck Center	\$93,720.37
3. West Covina Ford	\$95,741.30
4. Burch Ford	\$100,529.61
5. Victor Buick/GMC	\$102,046.06
6. Raceway Ford	\$102,566.57
7. Pasadena Ford	\$103,419.81
8. Thorson Motor Center	\$106,548.00
9. Ramsey Street Ford	\$108,236.70

Subsequent to the bid opening, PWP considered replacing the EV vehicles with like equipment or with HEV, a combination electric and gasoline powered vehicle, in order to continue the promotion of environmentally friendly vehicles. A specification was issued on March 11, 2004 and bids were received on March 30, 2004, as follows:

1. Colonial Honda	\$143,972.50
2. Honda of Pasadena	\$146,712.66

PWP staff recommends that the City Council reject the bids for the traditional gasoline fueled vehicles received on February 10, 2004, and accept the lowest bid for HEV from Colonial Honda.

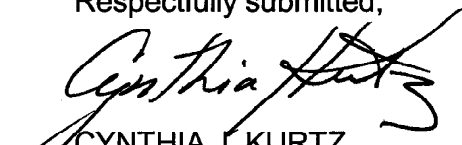
The two bidders offered Honda Civic HEV equipped with a gasoline-electric hybrid power train. This combination gives the HEV exceptional fuel economy, estimated at 48 miles per gallon, with nearly 44% better fuel economy than a comparable conventional Honda Civic. The Honda earned the certification as an Advanced Technology Partial Zero-Emissions Vehicle from California's Air Resource Board because it meets the Super Ultra Low Emissions Vehicles (SULEV) standard and it carries a 15 year / 150,000 mile warranty on emissions equipment.

Six HEV will be used by the six meter readers; the seventh HEV will be used as a pool vehicle to be shared by the high bill investigator and the supervisor for special reads. These four door sedans, replacing the Ford Ranger trucks, will accommodate the meter readers' basic equipment but most importantly they will be the primary mode of transportation to various locations in Pasadena to read the electric and water meters. Driving an HEV will not hinder the meter readers' work performance.

**FISCAL IMPACT**

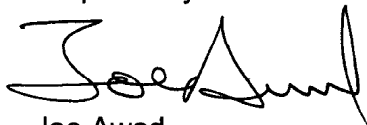
Sufficient funds are available in the FY 2004 Operating Budget in account number 8505 in funds 401 and 402.

Respectfully submitted,



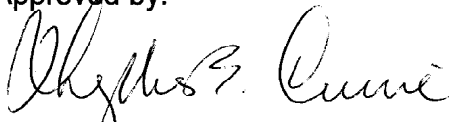
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