

Agenda Report

TO: CITY COUNCIL

Date: January 9, 2006

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO CONTRACT WITH EBUS, INC. TO PROVIDE AN EXTENDED WARRANTY FOR FIVE (5) HYBRID ELECTRIC BUSES

RECOMMENDATION

It is recommended that the City Council: i) authorize a contract with Ebus, Incorporated, in an amount not to exceed \$139,500 for extended warranty service of City hybrid electric buses, without competitive bidding pursuant to City Charter Section 1002 (C), contract for labor, materials, supplies or services available from only one vendor; ii) authorize the City Manager to enter into up to two one-year extensions in the amounts not to exceed \$99,000 and \$108,900, respectively.

BACKGROUND

The City of Pasadena purchased five hybrid electric buses from Ebus in December 2003. The purchase contract included a one-year warranty period that covered maintenance and major components; the warranty expired in January 2005. The Department of Transportation has held discussions with the vendor and the City's transit contractor, First Transit, regarding the on-going maintenance and major component warranty for these highly technical and complex vehicles to determine the best means for providing maintenance.

Due to the complexity of the vehicles, especially the battery packs, First Transit staff cannot perform the required maintenance. Without proper recharging of the batteries, the vehicles will experience failures in many of the electrical systems. The vendor, Ebus, has been working with the City to maintain the buses during this time period. The buses are cycled to the Ebus facility in Downey and charged under a controlled discharge/recharge process.

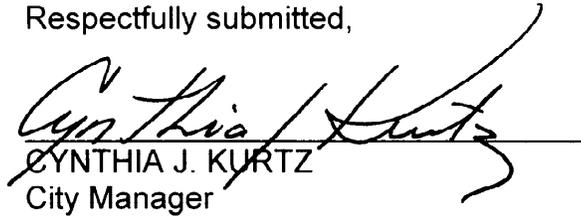
In addition to the battery pack maintenance, Ebus has continued the warranty on the turbine engines and battery packs for the buses. It was determined that it was in the City's interest to continue having the maintenance performed by Ebus and to continue to cover the major components. Ebus is currently the sole provider of the service requirements for these buses. The Department will evaluate options for the vehicle

maintenance program prior to the City Manager approving the annual extensions to the contract.

FISCAL IMPACT

With the approval of the fiscal year 2006 operating budget amendments, being presented as a separate item under reports from the Finance Committee, sufficient funds will be available in the FY 2006 operating budget, account 8114-209-775600, for this contract.

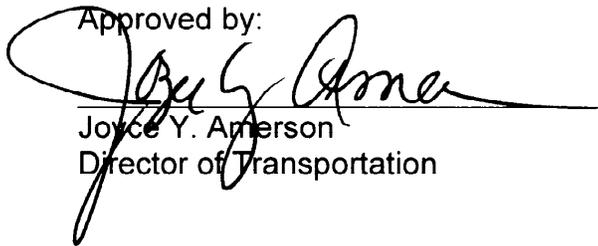
Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Prepared by:


Cathi Cole
Transit Manager

Approved by:


Joyce Y. Amerson
Director of Transportation

TAXPAYER PROTECTION AMENDMENT

Under the provisions of the City of Pasadena Taxpayer Protection Amendment of 2000 ("Taxpayer Protection Act"), the Contractor will be considered a "recipient of a public benefit." The full provisions of the Taxpayer Protection Act are set forth in Pasadena City Charter, Article XVII. Under the Taxpayer Protection Act, City public officials who approve this Contract are prohibited from receiving gifts, campaign contributions or employment from Contractor for a specified time. This prohibition extends to individuals and entities that are specified and identified in the Taxpayer Protection Act and includes Contractor and its trustees, directors, partners, corporate officers and those with more than a 10% equity, participation, or revenue interest in Contractor. Contractor understands and agrees that: (A) Contractor is aware of the Taxpayer Protection Act; (B) Contractor will complete and return the forms provided by the City in order to identify all of the recipients of a public benefit specified in the Taxpayer Protection Act; and (C) Contractor will not make any prohibited gift, campaign contribution or offer of employment to any public official who approved this Contract.

12/30/05

Anders B. Eklöv

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CEO

Ebus, Inc.