LOS ANGELES COUNTY
ISD
INTERNAL SERVICES

Dave Lambertson
Director

COUNTY OF LOS ANGELES
Internal Services Department

1100 North Eastern Avenue
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To enrich lives through effective and caring service.

Telephone: (323) 267-2101
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April 17, 2006

To: Each Supervisor

From: Dave Lambertson
Director

Subject: **STATUS OF HYBRID VEHICLE ACQUISITIONS**

On November 15, 2005, your Board passed a motion establishing Hybrid vehicles as the standard, non-emergency passenger sedan to be acquired by County departments whenever practical and economically feasible beginning no later than July 1, 2006. This is a status on ISD's efforts to date. The most critical issue is the current industry-wide shortage of these vehicles.

Due to the huge popularity of hybrid vehicles in Southern California, it has become extremely difficult for the County to acquire Toyota Priuses and Honda Civic hybrids for County departments. American Honda Motor Company advises that they are focused exclusively on meeting the needs of their retail customers and Toyota Motor Company of North America produced only a limited number of 2006 Prius hybrids for government and commercial fleet sales.

Hybrids Acquired

The ISD-managed fleet currently includes 20 gasoline/electric hybrid vehicles. Purchase orders for an additional 64 hybrids have been issued.

Departmental Survey

As indicated in our 2006 Clean Fuels Report, in January 2006 ISD sent a survey to all departments to gather information on the estimated hybrid vehicles they might purchase through FY 2006-07. Attached is a schedule that reflects responses to date. Overall, a need for 102 hybrid vehicles has been identified.

Shortage of Hybrid Vehicles

There is a shortage of hybrid vehicles that is making it increasingly difficult to acquire hybrids in a timely manner at favorable prices. Key items of interest:

- Southern California dealerships are experiencing difficulties in obtaining hybrids for fleet sales.
- On a national level, the purchase price of hybrid vehicles is increasing and there are supply issues.

Attached is a memo to County Department Heads advising them of the limited availability of hybrid vehicles during 2006. The memo also contains suggestions on ultra low emission gasoline vehicles that may be purchased in lieu of hybrids.

ISD will continue to work with Toyota of North America and American Honda Motor Company, as well as the local dealerships, in an attempt to acquire hybrid vehicles for County departments.

Please feel free to contact me if you have any questions, or your staff may contact Marie Nunez at (323) 267-2492, or via e-mail at Mnunez@isd.co.la.ca.us.

DL:DB:elc
Attachments
c: ISD Board Deputies

F:\WORD\VEHICLES\Hybrid Veh Acq Status

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Subject: **HYBRID VEHICLE ACQUISITIONS**

On November 15, 2005, the Board of Supervisors passed a motion establishing Hybrid vehicles as the standard, non-emergency passenger sedan to be acquired by County departments whenever practical and economically feasible beginning no later than July 1, 2006.

To assist in the timely acquisition of Hybrid vehicles, ISD conducted a survey of County departments to determine the quantity and types of Hybrids the Departments intended to order during the remainder of FY 2005-06 and FY 2006-07. Attached is a summary of survey responses.

Availability of Hybrid Vehicles

During March, ISD was notified by Toyota and Honda dealerships in Southern California that they were experiencing difficulties obtaining Hybrid vehicles for fleet sales. Subsequently, ISD spoke with Toyota Motor Company North America and American Honda Motor Company.

Toyota's National Account Fleet manager advised that for the 2006 calendar year, Toyota allocated only 2,000 Toyota Priuses for government and commercial fleet sales. They further stated that all 2,000 vehicles were previously earmarked and no 2006 model year Priuses were available for the County of Los Angeles.

Toyota Motor Company also advised that although they cannot fill purchase orders for 2006 model year Priuses, they anticipate a larger number of 2007 Priuses will be available for fleet sales. They indicated that they would take the County's "pending" 2006 orders and include them on the fleet order for 2007 Priuses, which should be available, on a staggered delivery basis, beginning in October 2006. ISD will not know until July if Toyota dealers will be able to retain the 2006 pricing for County orders.

Honda of America's West Coast Zone Regional Sales Manager informed ISD that Honda does not have a corporate fleet sales program and that Honda focuses on the "retail" customer. Currently, due to the huge demand for Civic Hybrids, Honda has advised its dealers that their future allocation of Hybrids will be exclusively based on

retail sales. Basically, this means that for every Civic Hybrid a Honda dealer sells at the "fleet" price, the dealer ***will not*** receive a replacement Hybrid in subsequent allocations.

Consequently, Honda dealers have been unable to respond to bids from the County of Los Angeles at this time and for the foreseeable future.

Alternatives

Based upon the information above, there will be significant delays in the acquisition of Hybrid vehicles from Toyota and Honda. ISD's Purchasing Division continues to talk with Honda and Toyota corporate representatives and dealers to obtain updates and the status of vehicles for which Purchase Orders have been issued.

If your department is unable to wait for Hybrid vehicles to become available later this calendar year, you may want to consider purchasing another Ultra Low Emission vehicle in the same price range. A chart of qualifying Ultra Low Emission vehicles is seen below.

Manufacturer	Make	Fuel Type	Model	MSRP
Daimler Chrysler	Dodge	Gasoline	Neon SX	$14,395.00
Ford	Ford	Gasoline	Taurus Fusion Focus	$21,800.00 $17,795.00 $13,995.00
GM	Chevrolet	Gasoline	Impala Malibu Cobalt Aveo	$20,990.00 $16,990.00 $12,990.00 $9,890.00
GM	Saturn	Gasoline	Ion	$12,490.00
Honda	Honda	Gasoline	Civic	$16,710.00
Hyundai	Hyundai	Gasoline	Elantra	$13,675.00
Mazda	Mazda	Gasoline	Mada 3	$15,150.00
Nissan	Nissan	Gasoline	Sentra	$13,250.00
Toyota	Toyota	Gasoline	Corolla Matrix	$15,150.00 $15,260.00

If you wish to check on an existing Hybrid vehicle order, cancel an existing Purchase Order for Hybrids and/or resubmit a requisition for another type of vehicle, please contact Robert Ortiz, ISD Purchasing Division, at (323) 267-2272 or via email at Rortiz@isd.co.la.ca.us.

For general questions concerning the information in this memo, your staff may contact Marie Nunez, Contract Administration Division Manager at (323) 267-2492 or via e-mail at Mnunez@isd.co.la.ca.us or Randy Martin, Fleet Manager, at (323) 881-3919 or via e-mail at Rmartin@isd.co.la.ca.us.

DL:MN:RM
Attachment
c: Administrative Deputy
Budget/Fiscal Manager
Vehicle Coordinator

F:\WORD\VEHICLES\Hybird Ordering Memo 4-13-06

Attachment

Hybrid Vehicle Purchase Survey
2006

Department	2006/7 Toyota Prius	2006/7 Honda Civic	2006/7 Ford Escape	2006/7 Honda Accord	2006/7 Toyota Highlander	FY 05-06 Desired In-Service Date	FY 06-07 Desired In-Service date	Comments
ACWM								
Animal Care & Control								
Assessors Office								
Auditor-Controller		1				ASAP		Requisition received
Beaches & Harbors								
BOS	8	8				ASAP (4 of each)	March (4 of each)	Purchase in Process
CAO	4	4				ASAP		
Chld Support Services	1	1				None specified	None specified	Will accept 2007 models
CIO								
Community & Senior								
Coroner - M.E.			1				August '06	K-9 program
County Counsel								
DHR								
DHS	4	2	2		1			
District Attorney								
Fire Dept								
ISD	9	1						Procurement request submitted
Library								
Mental Health	24					ASAP		Purchase in process for 10 vehicles
Ombudsman								
OPS								
Parks & Recreation								
Probation	24					ASAP (12)	April '07 (12)	
Regional Planning			2				August '06	Must be 4WD
Recorder/County Clerk	3	3						
Treasurer-Tax Collector								
Totals:	77	20	5	0				
							GRAND TOTAL:	**102**

4/13/2006