



Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Telp
metro.net

4

**SPECIAL BOARD MEETING
SEPTEMBER 22, 2005**

SUBJECT: BUSES FOR CONSENT DECREE

ACTION: AUTHORIZE PROCUREMENT FOR 45' COMPOSITE BUSES

RECOMMENDATION

- A. The Board finds that the procurement under Public Utilities Code § 130232 does not constitute a procurement method adequate to Metro's needs and that the procurement of the 45' lightweight composite Compressed Natural Gas (CNG)buses qualifies under Public Contracts Code (PCC) § 20217 for procurement by competitive negotiation.
Requires two-thirds vote of the Board.

- B. Authorize the Chief Executive Officer to solicit up to one-hundred lightweight, CNG transit buses as a competitive negotiation pursuant to PCC § 20217 and Metro's Procurement Policies and Procedures.

RATIONALE

In January 2004, the Special Master directed Metro to purchase 145 buses to relieve overcrowding and an additional 381 replacement buses, a total of 526 buses (or 40 seat equivalent buses). In April 2005, in a separate ruling, the Special Master directed Metro to order an additional 134 buses (or 40 seat equivalent buses) to support the expanded Metro rapid program. The two Special Master orders combined equal 660 buses (or 40 seat equivalent buses).

Since these two orders were issued, Metro purchased 300 high capacity buses and 75 forty-foot buses (collectively the equivalent of 475 forty-seat buses). The two actions before the Board today exceed the 660 bus requirements identified in the last two orders of the Special Master.

Metro has determined that the most effective way to comply with the Special Master's Orders is a combination of exercising existing contract options for articulated buses (see separate report), purchasing a small quantity of hybrid vehicles through the Advanced Transit Vehicle Consortium, and initiating a new purchase of high capacity, light weight 45' buses.

As noted in another Board report, the purchase of additional high-capacity buses will be required to complete compliance with the above referenced Consent Decree orders. While additional articulated buses could be ordered, staff believes that the purchase of one-hundred 45' lightweight composite CNG buses is a more prudent method of providing the vehicles needed for final compliance with the Consent Decree.

Metro previously ordered one-hundred of these 45' lightweight CNG buses from North American Bus Industries in 2002, and these buses were received in 2004-2005. The 45' composite bus provides several unique features that give Metro additional operating flexibility. A 45' composite vehicle provides seating for 46 passengers at the same weight of a 40' steel frame bus, a 15% increase in seating capacity. The composite structure is much more corrosion resistant and stronger than conventional steel-framed buses. Based on these features, staff believes that a composite vehicle will continue to perform beyond the typical 12-year useful life of a steel-framed transit vehicle. Additionally, a 45' vehicle can also be assigned to service lines that cannot accommodate an articulated bus but require higher capacity than a 40' vehicle.

POLICY IMPLICATIONS

It is in the public's interest to utilize competitive negotiation rather than a sealed bid process to consider factors other than price in the award of contracts for the 45' buses as described in PCC §20217. The competitive negotiation process provides for consideration of such factors as "broadest possible range of competing products and materials available, fitness of purpose, manufacturer's warranty, vendor financing, performance reliability, standardization, life cycle costs, delivery timetables, support logistics, and other similar factors in addition to price in the award of these contracts." Utilization of this process for this procurement will permit discussions with the proposers to evaluate the performance and reliability of the proposed components, warranty factors, cost data and delivery time tables to determine the bus most suited for the Metro's needs.

IMPACTS TO OTHER CONTRACTS

A new procurement for inspection services will be initiated for the inspection of the 45' vehicles.

FINANCIAL IMPACT

Funding for this procurement is included in the Short Range Transportation Plan and is consistent with Metro fleet plans. The funding plan will be approved when the Board approves contract award.

ALTERNATIVES CONSIDERED

Staff considered solely purchasing 60' buses to comply with the Special Master's orders. However, purchasing 45' buses is expected to generate capital cost savings over solely buying 60' buses.

Staff considered a new procurement solely for 45' buses, however, given the slower production rate of composite vehicles, it is unlikely that a vendor could provide enough vehicles to guarantee buses were here to meet specific deadlines for the 2004 Special Master order.

ATTACHMENTS

1. Breakdown of Additional Buses and Seating Capacity

Prepared by: Richard Hunt, General Manager, San Fernando Valley Sector
John Drayton, Manager of Vehicle Technology

Carolyn Graves for

John B. Catoe, Jr.
Deputy Chief Executive Officer

[Signature]

Roger Snoble
Chief Executive Officer

Attachment 1

A. Breakdown of New Bus Purchasing Elements of Special Master's 2004 and 2005 Orders:

ELEMENT	STATUS
A. Purchase and Place Into Service 145 New Buses (or equivalent) by June 30, 2005 ¹	Complete. Metro added the equivalent of 5,800 new passenger seats.
B. Procure a total of 381 Replacement Buses (or equivalent) between FY03 and FY07. ²	Underway. Requires addition of 381 buses and 15,240 passenger seats by June 30, 2007.
C. Add 134 New Buses. ³	New.
Total	In total, acquisition of at least 660 new 40' buses, or equivalent (26,400 total passenger seats).

B. Breakdown of 660+ New Bus Equivalents:

Bus Type	Notes	Quantity	Seats/Bus	Total Seats Added	40' Equivalents
40' Buses	Delivered 2005	75	40	3,000	75
60' Artic	Delivered 2005	30	57	1,710	43
45' Compo Bus	Delivery 2004-2005	100	46	4,600	115
60' Artics	Delivery 2005-2006	170	57	9,690	242
S/T 2005 Buses		375		19,000	475

60' Artics	New contract option ⁴	94	57	5,358	134
40' Hybrids	New, via ATVC	6	40	240	6
45' Buses	New procurement	100	46	4,600	115
S/T New Orders		200		10,198	255
Total New Buses⁵		575		29,198	730

¹ Special Master's Order dated January 12, 2004, page 72, item 3.

² Special Master's Order dated January 12, 2004, page 72, item 2.

³ Special Master's Order dated April 15, 2005, page 28.

⁴ See September 2005 Board Report "Articulated Buses for Consent Decree."

⁵ This total reflects all additional new buses that were purchased and the pending buses to be authorized by this Board action since Special Masters January 12, 2004 Order.

