



June 12, 1998

Los Angeles County
Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012

213.922.6000

Mailing Address:
P.O. Box 194
Los Angeles, CA 90053

TO MTA BOARD OF DIRECTORS

FROM: ARTHUR J. KIMBALL *Arthur J. Kimball*
EXECUTIVE OFFICER, PROCUREMENT

SUBJECT: CNG PUBLIC/PRIVATE PARTNERSHIP

ISSUE

In July 1998, the MTA plans to issue a Request for Proposals (RFP) for establishing a Public/Private Partnership to operate and maintain Compressed Natural Gas Fueling Facilities at Division 5 (Arthur Winston Division) and Division 7 (West Hollywood).

BACKGROUND

In accordance with Government Code § 5956 et. seq. (AB 2660) governing the development of public/private partnerships for infrastructure improvements and as a result of the MTA Board's Call for Proposals, two proposals were submitted to the MTA for developing, operating, and maintaining the MTA's CNG fueling facilities. At the Board's direction, MTA staff evaluated these two proposals, and this review concluded that neither proposal included sufficient cost or pricing information to be acted upon.

Staff's evaluation of these proposals did find that there were potential advantages to proceeding with a CNG Public/Private Partnership for providing CNG fueling facility operation and maintenance. Staff has been working to issue an RFP for providing these services at two MTA bus divisions.

UPDATE

On Thursday, June 11, 1998, the MTA conducted a vendor workshop for the CNG Public/Private Partnership Workshop with the intention of soliciting industry input for this RFP. This workshop was advertised in both the LA Times, and in the Wall Street Journal's West Coast edition. Twenty-five industry

CNG Public/Private Partnerships
June 12, 1998
Page 2

representatives attended this meeting, including representatives from both of the companies that had originally submitted proposals for these partnerships.

Over the next few weeks, the MTA will be finalizing the technical contract specifications for the CNG Public/Private Partnership RFP, and we will incorporate industry input that was received at the workshop, as well as any input offered by the industry prior to July 1, 1998. Staff anticipates issuing the RFP in late July, with proposals due back to the MTA in September 1998. Contract award recommendations will be brought to the MTA Operations Committee/Board in the November/ December 1998 timeframe.

Prepared by: John Drayton