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Metropolitan
Transportation
Authority

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OPERATIONS COMMITTEE
February 16, 2000

SUBJECT: BUS PROCUREMENTS

ACTION: RECEIVE AND FILE BUS PROCUREMENT STATUS REPORT

RECOMMENDATION

Receive and file this report on the status of bus procurements.

ISSUE

At the January 1999 Board Meeting, the Operations Committee requested staff to report back on the status of bus procurements and assignments.

BUS PROCUREMENT STATUS UPDATE

During January 2000, the MTA accepted and put into service 66 buses, which included 43 New Flyer buses and 23 ethanol conversion buses.

- During January, 43 **New Flyer** high floor CNG buses were accepted and put into service. Through February 1, 2000, a total of 167 New Flyer buses had been shipped to Los Angeles, and 126 were in revenue service. New Flyer buses are arriving at a steady rate, with relatively few significant defects. New Flyer is expected to deliver 10-15 buses per week through the remainder of this contract, and staff projects that the last buses in this contract will arrive by March 2000. New Flyer is accruing financial penalties in the amount of \$100 per bus, per day, for every bus delivered after January 1, 2000.
- Separately, New Flyer has started working on the "Pilot Bus" for their separate 223 bus low floor order, and this order is scheduled to start production in late Summer 2000. The low floor pilot bus is scheduled for MTA's acceptance in late March, and for delivery to MTA in April. The MTA should have 2-3 months of operating experience with this vehicle prior to the start of production on this order, and this should give both New Flyer and the MTA an opportunity to correct the majority of these problems before production starts on this order.
- **NABI** began production of bus frames in October 1999; however, they have notified the MTA that they expect a two week delay getting these low floor buses shipped to Los Angeles. This delivery schedule change is still well ahead of their contract schedule. At this time, they anticipate delivering the first buses in February 2000. The first 100 NABI buses will be painted in

distinctive colors and will be utilized during April and May for training for the Rapid Bus project. The Rapid Bus demonstration project is expected to begin operation in June, concurrent with the extension of the Red Line to North Hollywood.

- The MTA exercised an option for an additional 215 NABI buses in January, and NABI has agreed to a contract amendment that these buses will be delivered by July 2001.
- **Detroit Diesel Corporation (DDC)** completed the conversion of 17 buses in January 2000. As of February 1, 2000, a total of 302 (91%) of the original 333 ethanol/methanol buses had been converted to a diesel configuration. The last few buses in this program should be converted by early March 2000.
- On December 27, 1999, the MTA initiated a new procurement for 370 low floor buses, with delivery to be completed by June 2002. Staff plans to bring an award recommendation for these buses to the Board in Spring 2000. These buses will be required to meet bus delivery schedules established when the MTA Board adopted the Accelerated Bus Procurement Plan in October 1998. In addition to the base quantity of buses in this procurement, there are contractual options for up to 700 additional buses, and these options will be valid through 2004. These options should provide sufficient quantities of buses to cover MTA bus procurement needs through 2004, including any additional buses that may be required to comply with the Consent Decree.
- The MTA has accepted all high floor CNG buses from Neoplan of America. MTA staff continues to negotiate with Neoplan to identify and correct outstanding deficient items on these vehicles. Specific problems that MTA wants to see addressed include vehicle range, exhaust catalyst failures and other engine and component problems.

Attachment 1: Summary of Bus Delivery Schedule

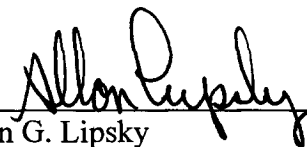
Attachment 2: Summary of New Bus Assignments

Attachment 3: Status Report for each Bus Procurement

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PROJECT # 200004 (As of February 1, 2000)
NABI 430 BUS PROCUREMENT

Project Description

Competitive Procurement of the 215 Low Floor CNG buses was approved by BOD in October 1998. NABI is manufacturing bus frames in Budapest, Hungary, and then finishing final assembly of these buses in Anniston, Alabama. The Pre-production bus was displayed at MTA in July, and again in November/December. This bus has returned to NABI to serve as a "First Article" for inspection purposes during production.

Project Delivery Status:

Month	Schedule	Delivered
11/99	0	0
12/99	0	0
1/00	0	0
2/00	30	0
3/00	40	0
4/00	40	0
5/00	40	0
6/00	40	0
7/00	25	0
Total	215	0

Estimated schedule, revised 1/00 based on discussions with NABI about pending schedule changes.

Contract Status:

- NABI began "Cutting Metal" for the 215 MTA buses in October in Budapest, and bus assembly began in Anniston, Alabama in early January.
- The first buses from the NABI order are expected to arrive in Los Angeles in February 2000. This is ahead of contract schedule.
- NABI and MTA staff have resolved all identified issues with "Pilot Bus." These changes are to be incorporated into production buses.
- Staff is on-site conducting inspections of vehicle frame production in Budapest, Hungary, and at NABI's vehicle assembly facility in Anniston, Alabama.
- In February, the MTA exercised an option for an additional 215 buses. NABI has agreed to deliver these buses to LACMTA by June 2001. Exact delivery schedule for these buses is still being determined.

Current Issues:

- Continued monitoring of quality assurance issues.

PROJECT # 200004 (As of February 1, 2000)
NEW FLYER 446 BUS PROCUREMENT

Project Description

Competitive Procurement of the 223 High Floor CNG buses was approved by BOD in October 1997. New Flyer has been manufacturing bus frames in Winnipeg, BC, and finishing final assembly of these buses in Crookston, MN.

An option for an additional 223 New Flyer Low Floor buses has also been exercised by the MTA. These buses will be delivered in FY01.

Project Delivery Status:

Base Order (Revised 9/1/99)

Month	Schedule	Delivered
9/99	10	9
10/99	47	2
11/99	40	19
12/99	46	53
1/00	28	43
2/00	40	0
3/00	12	0
Sub-Total	223	126

Option Order:

Month	Schedule	Delivered
2/00	1	0
8/00	45	0
9/00	45	0
10/00	45	0
11/00	45	0
12/00	42	0
Sub-Total	223	0

Contract Status:

HIGH FLOOR BUS - BASE ORDER

- 43 New Flyer buses went into revenue service in January. They should be able to complete delivery of the base order by the end of March 2000.

LOW FLOOR BUS - OPTION ORDER

- In December 1998, the MTA exercised a contract option for 223 additional New Flyer buses in a low floor configuration.
- New Flyer finished building the "Shell" for the New Flyer "Pilot Bus."

Current Issues:

- New Flyer incurs financial penalties for late delivery on approximately 120 of the base order buses.

PROJECT # 200050 (As of February 1, 2000)
Ethanol/Methanol Conversion Program

Project Description

In February 1998, the MTA Board approved conversion of 324 failed alcohol fueled engines to diesel engines in order to improve the reliability and reduce the operating costs for this fleet. At that time, staff estimated that converting these buses to diesel would save the MTA between \$10-\$15 million annually in fuel and maintenance costs.

In June 1998, the MTA, Detroit Diesel Corporation (DDC), and their local affiliate Valley Detroit Diesel (VDDC), entered into an agreement to convert 15 failed ethanol/methanol buses to diesel configurations each month beginning in September 1998, with all buses to be converted by June 2000.

Project Delivery Status:

Month	Original Contract Schedule	Converted (Monthly Total)	Converted & In-Service (Cumulative)
Prior to 3/99	105		70
3/99	120	20	90
4/99	135	20	107
5/99	150	27	130
6/99	165	25	157
7/99	180	20	175
8/99	195	21	197
9/99	210	25	214
10/99	225	22	246
11/99	240	14	260
12/99	255	19	279
1/00	270	23	302
2/00	285		
3/00	300		
4/00	315		
5/00	324*		

Of the original 333 methanol buses, eight were converted to diesel and one to CNG outside of this program. This left 324 buses to be converted.

Note: not every converted bus can be put into service immediately after conversion.

Contract Status:

- While Detroit Diesel completed conversion work on 17 buses in January, another six buses that were being worked on at RRC (new wheelchair lifts). In total, 23 new conversion buses were added into revenue service during January.
- Detroit Diesel is on target to complete the conversion program in early March 2000, over three months ahead of contract schedule.

Current Issues:

- No current issues. DDC continues to convert an average of a bus per day.
- The last remaining ethanol bus failed in mid-January 2000.

PROJECT # 200004 (As of February 1, 2000)
NEOPLAN 100 BUS PROCUREMENT

Project Description

Option contract for 100 Neoplan buses was exercised in December 1998. All buses in revenue service since September 1999.

Project Delivery Status:

Month	Schedule	Delivered	In Service
3/99	25	0	
4/99	25	11	
5/99	25	25	27
6/99	25	26	24
7/99	0	34	31
8/99	0	4	16
9/99	0	0	2
Total	100	100	100

Contract Status:

- As of October 1, 1999, all 100 buses are in revenue service.
- Neoplan and MTA continue to work to resolve outstanding warranty and reliability issues. Staff is negotiating with Neoplan to develop a campaign to retrofit or replace unreliable components and systems on these buses.

Current Issues:

- Acceptance of buses is completed. Vehicles in active revenue service.

Delivery Schedule Summary

	294 Bus* Neoplan Order (carried over from FY97)	250 Neoplan (Base)	New Flyer "Las Vegas" Buses	Neoplan (50 Bus Option)	Neoplan (100 Bus Option)	New Flyer (Base)	NABI (Base)	New Flyer (Option)	Nabi Option	Next Bus Buy	Additional Buses Req'd (through FY04)	Consent Decree Buses***	Total New Buses (Through FY04)	Ethanol Conversion**
Total Buses in Contract	37	250	20	50	100	223	215	223	215	370	392	297	2392	324
Technology	High Floor CNG	High Floor CNG	Low Floor Diesel	High Floor CNG	High Floor CNG	High Floor CNG	Low Floor CNG	Low Floor CNG	Low Floor CNG	Low Floor	Low Floor	Low Floor		High Floor Diesel
Final Bus Delivery Date (per Contract)	Sep-97	Sep-98	Sep-98	Dec-98	Jul-99	Dec-99	Oct-01	Dec-00	Jun-00	Jun-02	Jun-04	Jun-02		Jun-00
Proposed Delivery Date (Current Schedule)	Sep-97	Sep-98	Sep-98	Dec-98	Jul-99	Mar-00	Jul-00	Dec-00	Jun-00	Jun-02	Jun-04	Jun-02		
Summary - Deliveries/Acceptances														
Total Scheduled Deliveries (Thru Feb 1, '00)	37	250	20	50	100	142	0	0	0	0	0	297	896	
Actual Buses Accepted (Thru Feb. 1 '00)	37	250	20	50	100	126	0	0	0	0	0	0	583	302
New Buses in Revenue Service	37	250	20	50	100	126	0	0	0	0	0	0	583	302
Buses Remaining in Contract(s)	0	0	0	0	0	87	215	223	215	370	0	0	1120	22
Percentage Completion	100.00%	100.00%	100.00%	100.00%	100.00%	56.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	24.37%	93.21%

Status of Accelerated Bus Procurement Plan		Neoplan	New Flyer	NABI	Next Bus Buy	Total
New Buses in Revenue Service	583	437	146			583
Buses remaining in contracts	750		320	430		750
Buses under procurement	370				370	370
Option Buses Available	700				700	700
Total Buses in Plan (FY98-FY04)	2403	437	466	430	1070	2403

* 37 Buses from the original 294 Bus Neoplan Contract were delivered & accepted in FY98. These buses were included as part of the Accelerated Bus Procurement Plan.

There were a total of 257 Neoplan CNG buses delivered to the MTA in FY96 and FY97, so total new bus deliveries from FY96 - FY04 will total 2649 (257+2095+297).

**Of the original 333 ethanol/methanol coaches purchased by the MTA in 1989-1992, eight were converted to diesel, and one to CNG, outside of the conversion program.

This leaves 324 that are to be converted under this program.

*** Funding has not been identified for the purchase of the 297 additional buses required by the Consent Decree.

New Bus Assignments

Assignments as of Feb 1, 2000	Total Buses on Order	Buses Delivered*	Buses "Accepted" and put in service*												Special Assignment (Training)		
				Div 1 Downtown	Div 2 Downtown	Div 3 Cypress Park	Div 5 South Central	Div 6 Venice	Div 7 West Hollywood	Div 8 Chatsworth	Div 9 El Monte	Div 10 Downtown	Div 15 Sun Valley	Div 18 Torrance			
New Buses (Buses Ordered under Accelerated Plan)																	
Neoplan (FY96 Procurement Contract)	37	37	37													37	
Neoplan	400	400	400			100							203		97		
New Flyer (Las Vegas Buses)	20	20	20	A total of 100-120 New Flyer-LF CNG buses will be assigned to Div 3. The remainder of this order will be assigned to Div 5.													
New Flyer (Base)*	223	142	126			82	34			10						2	
NABI	215	0	0							Proposed, 200 NABI LF CNG	Proposed, 15 20 NABI LF- CNG	NABI Buses will support "Rapid Bus" program out of Div's 7 & 8.					
New Flyer (Option)	223	0	0	Proposed, 100-120 NF CNG			Proposed, 100-120 NF CNG										
NABI (Option)	215	0	0														
Next Bus Buy Delivery by 2002	370	0	0														
Additional Buses, Contract Options (Up to 700 Buses through FY04)	700	0	0														
Total New Buses	2403	599	583	0	0	182	54	0	10	0	0	203	0	134	2		
Ethanol Conversion	324	302	302	48	79	0	38	25	56	0	56	0	0	0	0		