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Metropolitan Transportation Authority

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**NOVEMBER 5, 2018**

**TO: BOARD OF DIRECTORS**

**FROM: PHILLIP A. WASHINGTON** PAW  
**CHIEF EXECUTIVE OFFICER**

**SUBJECT: CONTRACTED BUS SERVICES UPDATE – MV  
TRANSPORTATION**

**ISSUE**

The following information is provided in response to a KCBS Investigative Report regarding Metro bus fires that took place with contract bus services provider MV Transportation.

**DISCUSSION**

Metro operates 18 bus lines that are contracted to private transportation companies. MV Transportation, South Region contractor, currently operates the seven following lines: 125, 128, 130, 205, 232, 607, and 625. MV Transportation is currently operating a fleet which includes the last remaining diesel Orion VI buses purchased by Metro in 2000. From 2015 to 2018, a total of seven buses experienced issues which resulted in engine fires. Of the seven incidents, two occurred while the buses were in-service with passengers however no injuries were reported.

**Operations Action Taken**

Ensuring the delivery of service that is safe and reliable for Metro customers and employees, including all contractors, is our top priority and the following actions have taken place to date:

***Comprehensive Quality Assurance Inspection***

Metro Quality Assurance (QA) staff performed a comprehensive inspection on MV's Orion VI diesel fleet in October 2018. Recommended vehicle modifications had been started and as of today are complete. Specifically, Metro directed that MV maintenance immediately perform the following corrective remediation actions:

- Routine inspection of power cable and hydraulic line condition, routing and securement as a component of all inspections

- Initiate an aggressive steam cleaning program that includes cleaning of the bus radiator fan motor area, bus undercarriage, and engine compartment with special attention to the alternator area
- Implementation of a quality control inspection review process to ensure and verify the proper completion of the inspections and repairs.
- Development of a production schedule identifying the start date for the implementation of these recommendations

Metro also confirmed that MV maintenance staff performed supplementary repairs on the remaining Orion VI buses which include: replacement of power cable ends, shrink-wrap tubing, and the installation of "P" clamps to properly secure engine cables and hoses to ensure that engine equipment properly functions.

#### *Satisfactory California Highway Patrol (CHP) Inspections*

Since MV Transportation was awarded the service contract in October 2010, MV Transportation has successfully passed all mandatory CHP inspections where bus technical equipment is thoroughly examined, including the interior and exterior of buses, as well as the operator logs and records to ensure compliance with California Code of Regulation requirements.

#### *Directive to Implement Mandatory Maintenance Campaigns*

Metro requires that contractors meet or exceed Metro standards to ensure the safety and reliability of our service and equipment, customers, employees. Metro Operations staff recently issued directives to perform maintenance campaigns and has provided MV support to prevent similar issues from occurring in the future. The following maintenance campaigns have been implemented by MV to date:

- Routine Steam Cleaning
- Alternator/Battery Cable
- Battery/Starter Cable
- Hydraulic Lines
- General Cable/Hose Routing Securement

#### *Review of Fleet Plan Replacement*

Metro staff reviewed MV's current bus fleet mix and determined that MV's fifty-two Orion VI buses will be replaced with new El Dorado buses by spring 2019. In the interim, a total of seventeen (2014 & 2015 model) CNG buses previously allocated to Dodger Stadium Express (DSE) service will be transferred to begin the replacement process of MV's Orion VI fleet. Because Metro will have to reallocate buses from two other contractors, this process is estimated to take about two weeks from when Metro initiates the transfer process which includes performing bus inspection activities. This is a temporary assignment of buses that will be reversed as new CNG buses arrive in the spring.

### *Review of Contractual Provisions to Ensure Proper Maintenance of MV Bus Fleet*

Metro Operations, Procurement and County Counsel staff will formally communicate necessary actions, contract provision information, and provide guidance to prevent future incidents from occurring. Also Metro will continue to ensure that all required maintenance actions occur in a timely manner.

### *Review of Board Notification Procedure (SOP) for Code 2 Incidents*

Board Alerts are issued to board members when there is a Code 2 incident that results in a fatality or when media are present on scene of an incident. Because the MV bus incidents referenced above were contained bus fires which did not result in fatalities nor was media called on scene, Board Notifications were not sent in these specific instances. Board members could opt-in to the next level of notifications exclusive to executive staff, which would include all incidents that meet the following criteria:

#### Board Alerts:

- Any accident or incident resulting in a fatality
- Any accident or incident where news media representatives are present

#### Executive Staff Alerts:

- Any accident or incident that results in the transport by emergency responders of three or more people to a medical facility
- Any accident or incident involving a Metro vehicle versus a pedestrian or bicyclist that results in the transport of the pedestrian or bicyclist by emergency responders to a medical facility
- Any accident or incident that results in the transport of an individual who uses a wheelchair or other mobility device to a medical facility by emergency responders
- Uncontained fire or explosion on any Metro vehicle, or at any Metro Division, terminal facility or construction site
- Hazardous material or chemical spills of solvents, reactive, flammable or corrosive liquids, or any toxic substance, or uncontrolled release of a compressed gas or hazardous substance
- Bomb threat on a bus or at any Metro facility, where a suspicious item is located and the Bomb Squad is dispatched
- Any criminal activity resulting in an arrest or the transport of an individual to a medical facility by emergency responders
- Any incident that poses a threat to life, safety or security of Metro personnel, property, equipment, or supplies (power or water outages, natural environmental concerns, etc.)

### **ALTERNATIVES CONSIDERED**

One alternative is to use directly operated resources to operate bus service currently assigned to MV. Metro's directly operated FY19 adopted bus operating cost is \$174.97 per Revenue Service Hour (RSH). MV's CNG/Diesel combined

rate for year two of the five year contract is \$110.12 per RSH. The total number of FY19 RSH assigned to the South Region is 200,602. The approximate cost increase for Metro to assume this service would be \$13 million per fiscal year. Further analysis must be completed in order to understand the exact magnitude of the annual cost increase amount and any costs and penalty fees associated with early contract termination requirements. Staff does not recommend this alternative.

**NEXT STEPS**

Staff will continue to work closely with MV Transportation to ensure the delivery of service that is safe and reliable for Metro customers and employees, including all contractors. In fact, I personally discussed this issue with the Chief Executive Officer of MV Transportation, Kevin Jones, today and he is fully committed to working with LA Metro to fully resolve this and all other issues. Metro and MV will continue working to keep safety a top priority and proactively address all bus fleet maintenance issues in a timely manner. Lastly, staff will continue work to meet bus replacement plan schedules and targets and will keep the board apprised on all matters related to this investigative report.