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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION

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[Procurement of Nonessential or Duplicative Equipment for the Advanced Design Bus]

The Honorable Gary R. Gayton
Acting Administrator
Urban Mass Transportation Administration
Department of Transportation

Dear Mr. Gayton:

In reviewing warranty administration on vehicles purchased through Urban Mass Transportation Administration grants, we noted some transit authorities are procuring possibly nonessential or duplicative equipment for the advanced design bus (ADB). Although our review is still in progress, this information, we believe, warrants your immediate consideration.

In accordance with your ADB specifications, 1/ the bus speedometer includes an odometer as standard equipment. However, several transit authorities are also buying hubodometers, which, like an odometer, is a mechanical instrument used to record mileage. Approving funds for procuring two instruments performing the same function appears unnecessary. Since buses are already equipped with a mileage recording device, the need to purchase hubodometers as optional equipment is questionable.

We identified 67 transit authorities in the process of procuring 4,608 ADBs. In questioning 14 of these authorities procuring 1,967 ADBs, 4 had placed orders requiring both an odometer and a hubodometer on 365 buses. These 365 hubodometers cost an estimated $54,750. The following chart lists the four grantees, the number of ADBs with hubodometers, and their estimated cost.

1/P. II-38, baseline advanced design transit coach specifications, Nov. 1978.

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Transit authority	No. of buses with hubodometers	Estimated cost
Regional Transportation Authority, Chicago, Ill.	205	$30,750
Transit Authority of River City, Louisville, Ky.	52	7,800
Rochester-Genesee Regional Transportation Authority, Rochester, N.Y.	69	10,350
Greater Bridgeport Transport District, Bridgeport, Conn.	39	5,850
Total	365	$54,750

Conflicting opinion exists as to the need for and accuracy and reliability of both the hubodometer and odometer. Because transit authorities developed their own bus specifications prior to the ADB, they selected a mileage recording device based on individual preference. According to officials of the four transit authorities procuring both mileage recording devices for their ADBs, hubodometers are more accurate and less costly to maintain than odometers. In contrast, some officials from other transit authorities procuring ADBs saw no need for hubodometers and were using and maintaining odometers for mileage purposes on their current fleets of buses. Some maintenance officials said they no longer use hubodometers because they are costly to maintain, are difficult to repair, constantly break down due to road conditions (potholes), and have built-in inaccuracies.

Other authority officials using neither hubodometers nor odometers, compute mileage by other methods, such as estimated mileage based on number of trips or fuel consumption. These officials submit warranty claims and schedule maintenance based on estimated mileage. According to one major bus manufacturer, alternative methods of computing mileage are acceptable for warranty purposes.

However, neither warranty claims nor scheduled maintenance requires the higher accuracy potentially available from hubodometers, the validity of their necessity is questionable. Also, the validity of the investment and maintenance cost of two separate mileage devices is questionable.

RECOMMENDATIONS

We recommend that you

--evaluate the need for both odometers and hubodometers and other optional equipment in the procurement of the ADB and

--if warranted, suspend the procurement of hubodometers or odometers on existing and future ADB contracts.

Also, if the evaluation shows that certain grantees require both measuring devices, you should determine whether this requirement can indeed be justified and whether both devices are needed for every bus.

Because ADBs are still being procured and deliveries have not yet been made on most orders, you should act immediately on this matter.

Your Chief of Program Support reviewed a draft of this report and said the necessity for the hubodometer would be investigated. In addition, ADB optional equipment specifications will be reviewed to determine if other duplicative or nonessential equipment is included and, if so, whether it is justified.

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This report was prepared by our Procurement and Systems Acquisition Division, and action you take or plan to take should be brought to the attention of the Division Director. Should you wish to discuss this in more detail, he would be pleased to meet with you or members of your staff. We appreciate the cooperation given our representatives.

Sincerely yours,

Hugh J. Wessinger
Associate Director