



Board Report

File #: 2018-0572, File Type: Contract

Agenda Number: 17.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE OCTOBER 18, 2018

SUBJECT: BUS ENGINE IGNITION CONTROL MODULES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a two year, Indefinite Delivery, Indefinite Quantity Contract No. MA44849-2000 to Cummins Incorporated the lowest responsive and responsible bidder for bus engine ignition control modules. The award is for a Base year not-to-exceed \$678,866, inclusive of sales taxes, and a one year Option for a not-to-exceed amount of \$694,369, inclusive of sales tax, for a total not-to-exceed contract value of \$1,373,235, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the acquisition of new bus engine ignition control modules, which are required for maintaining the safe and reliable operation of the bus fleet. Award of this Contract will ensure that Bus Maintenance has adequate inventory to repair and maintain buses according to Metro maintenance standards.

BACKGROUND

The component usage reports from Material Management revealed that on an annual basis nearly 500 engine ignition control modules were issued to Bus Maintenance to replace failed components and to support replacement during engine rebuild programs. The engine ignition control modules are installed by Metro Mechanics at the Central Maintenance Shops and at all bus operating divisions. Buses cannot operate without properly functioning engine ignition control modules.

DISCUSSION

Ignition control modules are an electronic engine management component that is part of the bus's ignition system. The ignition control module energizes the ignition coils for the designated cylinders in the firing sequence for the engine. Problems with the ignition control module can quickly lead to engine performance issues. The engine ignition control modules support over 90% of our bus fleet which have Cummins 8.9 ISLG and L9N Near-Zero engines.

The contract award is a "requirements type" agreement in which Metro commits to order only from

the awardee, up to the specified quantity for a specific duration of time, but there is no obligation or commitment for us to order any or all of the ignition control modules that may be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required. The Diversity and Economic Opportunity Department (DEOD) did not establish a Disadvantaged Business Enterprise (DBE) goal for this solicitation due to lack of subcontracting opportunities.

The purchased engine ignition control modules are installed by Metro Mechanics. Bus engine ignition control modules will be purchased and maintained in inventory and managed by Material Management. As ignition coils are issued, the appropriate budget project numbers and accounts will be charged.

DETERMINATION OF SAFETY IMPACT

Award of Contract will ensure that all operating divisions and the Central Maintenance Facility have an adequate inventory to maintain the equipment according to Metro Maintenance standards.

FINANCIAL IMPACT

Funding in the amount of \$665,829 for these ignition control modules is included in the FY19 budget under account 50441, Parts - Revenue Vehicle in multiple bus operating cost centers under project 306002 Operations Maintenance, and in the Central Maintenance cost center 3366 under project 203025 Bus Engine Replacement Project.

Since this is a multi-year contract, the cost center manager and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years.

Impact to Budget

The source of funds for this action are Federal Section 5339 and TDA Article 4. These funding sources currently maximize allowable funding allocations given approved funding provisions and guidelines.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Approval of this recommendation supports the following Metro Strategic Plan Goals: Provide high-quality mobility options that enable people to spend less time traveling. The new driver seat assemblies will help maintain safety and reliability standards in an effort to provide a world-class transportation system that enhances quality of life for all who live, work, and play within LA County.

ALTERNATIVES CONSIDERED

The alternative to not award the contract and procure engine ignition control modules on the open market on an as-needed basis is not recommended since it does not provide a commitment from the supplier to ensure availability and price stability.

NEXT STEPS

Metro's requirements for bus engine ignition control modules will be fulfilled under the provisions of the Contract.

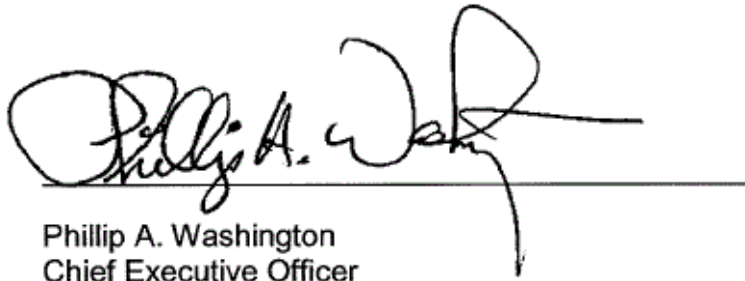
ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

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Phillip A. Washington
Chief Executive Officer

PROCUREMENT SUMMARY

BUS ENGINE IGNITION CONTROL MODULES / MA44849-2000

1.	Contract Number: MA48849-2000	
2.	Recommended Vendor:	
3.	Type of Procurement (check one): <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	Procurement Dates:	
	A. Issued: May 3, 2018	
	B. Advertised/Publicized: May 4, 2018	
	C. Pre-Bid Conference: N/A	
	D. Bids Due: June 6, 2018	
	E. Pre-Qualification Completed: June 25, 2018	
	F. Conflict of Interest Form Submitted to Ethics: June 25, 2018	
	G. Protest Period End Date: October 19, 2018	
5.	Solicitations Picked up/Downloaded: 7	Bids Received: 3
6.	Contract Administrator: Mona Ismail	Telephone Number: 213-922-7376
7.	Project Manager: Alex DiNuzzo	Telephone Number: 213-922-5860

A. Procurement Background

This Board Action is to approve Contract No. MA48849-2000 issued in support of procurement of ignition control modules for Metro's natural gas fueled heavy duty engines. Board approval of contract award is subject to resolution of any properly submitted protest.

IFB No. MA48849-2 was issued in accordance with Metro's Acquisition Policy and the contract type is an Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendments were issued during the solicitation phase of this IFB.

A total of three bids were received on June 6, 2018.

B. Evaluation of Bids

This procurement was conducted in accordance, and complies with Metro's Acquisition Policy for a competitive sealed bid. The three bids received are listed below in alphabetical order:

1. CBM US, Inc.
2. Cummins Inc.
3. The Aftermarket Parts Co. DBA New Flyer Parts

Cummings Inc. and The Aftermarket Parts Co. were determined to be responsive and responsible to the IFB, and in full compliance with the technical requirements. CBM US, Inc. was not compliant to the IFB's Buy America requirement and was deemed non-responsive and ineligible for contract award.

C. Price Analysis

The recommended bid price from Cummins Inc. has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder.

Bidder Name	Bid Amount	Metro ICE
Cummins Inc.	\$1,373,235.12	\$1,353,600.00
The Aftermarket Parts Co.	\$1,622,684.88	\$1,353,600.00

D. Background on Recommended Contractor

The recommended firm, Cummins Inc., located in Irvine, CA has been in business for 99 years, and is a leader in heavy duty commercial engines. Cummins currently has multiple contracts with Metro for fuel flow valves, head assembly kits and for fuel pressure regulator valves. Cummins has and continues provided satisfactory products and services to Metro.

DEOD SUMMARY

BUS ENGINE IGNITION CONTROL MODULES /MA44849-2000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) did not establish a Disadvantaged Business Enterprise (DBE) goal for this solicitation due to lack of subcontracting opportunities. Cummins Inc. is an Original Equipment Manufacturer (OEM) of the Bus Engine Ignition Coil part that is shipped directly to Metro and installed by Metro staff.

B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability

The Living Wage and Service Contract Worker Retention Policy is not applicable to this Contract.

C. Prevailing Wage Applicability

Prevailing wages are not applicable to this Contract.

D. Project Labor Agreement/Construction Careers Policy

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. PLA/CCP is applicable only to construction contracts that have a construction related value in excess of \$2.5 million.