Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

File #: 2026-0644, **File Type:** Contract **Agenda Number:** 33.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE
OCTOBER 15, 2026

SUBJECT: NEAR-ZERO NATURAL GAS-FUELED ENGINES

ACTION: AWARD CONTRACT

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

A. FIND the procurement of Near-Zero Natural Gas-Fueled Engines under Public Utilities Code (PUC) Section 130237, as an Original Equipment Manufacturer (OEM) item, constitutes a single-source procurement method for the purpose of duplicating equipment already in use; and

B. AWARD a single-source, five-year, Indefinite Delivery, Indefinite Quantity Contract No. MA139582000 to Cummins Sales and Service (Cummins) for 680 engines to replace engines on Metro buses. The five-year contract is for a total Not-To-Exceed (NTE) contract amount of $70,990,755.60, inclusive of sales tax; subject to the resolution of any properly submitted protest (s), if any.

(REQUIRES TWO-THIRDS VOTE OF THE FULL BOARD)

ISSUE

This procurement is for the acquisition of Cummins Replacement Engine Request (RER) L9N Near-Zero Emissions engines, which will be installed as part of the Central Maintenance Shops (CMS) bus midlife engine replacement program over the next five fiscal years (FY27 - FY31). The Cummins RER L9N near-zero engines will run on Renewable Compressed Natural Gas (RCNG) and replace the older Cummins L9N engines currently installed in the El Dorado National (ENC) 40-foot and New Flyer (NFI) 60-foot articulated buses.

The CMS engine replacement program aligns with Metro's strategic plans to lower greenhouse gas emissions from the current bus fleet and transition to Zero-Emission Buses for future procurements. This procurement is required to ensure the current bus fleet is properly maintained and that the engine replacement program continues without delays or impact on revenue service.

BACKGROUND

In October 2016, staff responded to a Board request to provide a comprehensive plan to further reduce greenhouse gas emissions. The report to the Board identified a comprehensive approach to reducing greenhouse gas emissions, including procuring zero-emission buses and using Low NOx Near Zero CNG engines operating on RCNG for midlife engine repowers beginning in FY18.

In August 2017, Metro entered into a contract with Cummins Pacific LLC to purchase up to 395 near-zero-emission engines for the midlife refurbishment program. The Air Quality Management District (AQMD) provided $1.875 million in grant funding for 125 of the near-zero-emission engines. Metro has received $9.6 million of $12.6 million in pending reimbursements for vouchers submitted to the California Air Resources Board (CARB) Hybrid and Zero-Emissions Truck and Bus Voucher Incentive Project (HVIP) to offset the cost of the near-zero-emission engines.

In November 2022, Metro staff entered into an additional contract to purchase up to 800 near-zero engines for the midlife program. CMS issued the final task orders to purchase new near-zero-emission engines under the existing contract in August 2024, and this new contract is needed to support the midlife near-zero-engine replacement program.

DISCUSSION

The MIDLIFE program is designed to increase the reliability of the bus for the duration of its lifecycle. Replacing the high mileage engine in the bus with a new one is one of many components that are replaced due to wear and tear. The engine replacement contributes to the overall reliability of the MIDLIFE'd bus and reduces mean miles between roadcalls related to engine failures.

CMS staff identified the need to purchase up to 680 natural gas-fueled heavy-duty engines to replace the engines currently installed in the ENC 40-foot buses and the NFI 60-foot articulated buses during FY27 through FY31. Cummins will deliver the RER L9N Near Zero Emission engines under this procurement for installation by Metro mechanics as part of the midlife engine replacement program.

The Cummins RER L9N Near Zero Emission engine is currently the only CNG mid-range engine to receive emissions certifications from the Federal Environmental Protection Agency (EPA) and California Air Resources Board (CARB) for meeting the 0.02 g/bhp-hr optional Near Zero NOx emissions standard.

The Cummins RER L9N Near Zero natural gas engines are warranted against defects in design and materials for two years with unlimited mileage, as well as full parts and labor for all warrantable failures.

The contract to be awarded is a "requirements type" agreement in which we commit to order only from the awardee, up to the specified quantity for a specific duration of time. Still, we are not obligated to order any or all of the Cummins RER L9N Near-Zero engines that may be anticipated.

The bid quantities are estimates only, with deliveries to be ordered and released as required. In addition, Material Management will purchase, maintain, and manage the Cummins RER L9N Near-Zero natural gas engine inventory.

DETERMINATION OF SAFETY IMPACT

Awarding this Contract will positively impact safety by reducing NOx emissions by ninety percent (90%) and greenhouse gas emissions by nine percent (9%) from Metro buses. Installing these new engines will also ensure buses are maintained in accordance with Metro Maintenance standards and improve on-road performance, safety, and reliability.

FINANCIAL IMPACT

The total contract value is Not-To-Exceed (NTE) $70,990,755.60. The $10,126,623 funding for the additional engines required during the current fiscal year is included in the FY27 budget in cost center 3366, under project 203052, Bus Midlife Program, and line item 50441, Parts- Revenue Vehicle. Since this is a multi-year Contract, the project manager, cost center manager, and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years.

Impact to Budget

This procurement will be funded by Federal formula funds and local Proposition C 40%. These sources are eligible for Bus Operating or Capital projects.

EQUITY PLATFORM

The award of this contract ensures the bus fleet can provide vital transportation services to neighborhoods where disparities within the region can exist between residents' access to jobs, housing, education, health, and safety. Bus transportation provides an important lifeline for the residents in underserved communities, and the Metro bus maintenance programs ensure the proper State of Good Repair of the bus fleet to provide transportation for these underserved communities.

The Disadvantaged Business Enterprise (DBE) contract goal for this procurement is zero percent (0%). The U.S. Department of Transportation (USDOT) has issued an Interim Final Rule (IFR) that makes changes to the DBE Program, including suspension of goals and enforcement, effective October 3, 2025. While the DBE commitment is not a factor in the staff recommendation, Cummins Sales and Service listed one Metro-certified small business to perform on this contract.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT

reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

As part of these ongoing efforts, this item is expected to contribute to further reductions in VMT. This item supports Metro's systemwide strategy to reduce VMT through equipment purchase activities that will improve and further encourage transit ridership, ridesharing, and active transportation. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The procurement of the Cummins RER L9N Near Zero Emissions engines supports Strategic Goal 1) Provide high-quality mobility options that enable people to spend less time traveling. Installing the Cummins RER L9N Near Zero Emissions engines will maintain the reliability of the bus fleet and ensure customers can arrive at their destinations without interruption and in accordance with scheduled service intervals for Metro bus operations.

ALTERNATIVES CONSIDERED

Alternatives to awarding this Contract for near-zero-emission, natural-gas-fueled heavy-duty engines include procuring the engines on an as-needed basis using the traditional min/max replenishment system method. The "min/max" replenishment system method calculates minimum and maximum inventory levels. This strategy is not recommended because it does not require a supplier commitment to ensure availability, timely delivery, continued supply, and a guaranteed fixed price for natural gas-fueled heavy-duty engines.

A second alternative is to procure 2026 model-year engines available for the El Dorado National and New Flyer buses. This alternative is not recommended because the 2026 engines have a higher NOx rating of 0.05 g/bhp-hr standard than the requested RER engines, which have a lower NOx rating of 0.02 g/bhp-hr standard. Therefore, purchasing the 2026 model year engines would result in higher harmful air pollution emission output to the environment. Metro's directive for clean bus technology is to purchase the lowest-emission engines available, and using the RER engines meets that requirement.

NEXT STEPS

The contract will fulfill Metro's requirements for Cummins RER L9N engines for the bus midlife refurbishment program, and the refurbishment of the El Dorado National 40-foot and New Flyer 60-foot articulated bus fleets will continue under the Operations Support Services bus mid-life and

engine replacement program.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment B - DEOD Summary

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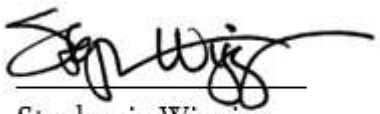

Stephanie Wiggins
Chief Executive Officer

ATTACHMENT A

PROCUREMENT SUMMARY

PURCHASE OF NEAR-ZERO NATURAL GAS FUELED ENGINES

CONTRACT NO. MA139582000

1.	**Contract Number**: MA139582000	
2.	**Recommended Vendor**: Cummins Sales and Service, 9520 Stewart and Gray Rd., Downey, CA 90241	
3.	**Type of Procurement (check one):** ☐ **IFB** ☐ **RFP** ☐ **RFP–A&E** ☒ **Non-Competitive** ☐ **Modification** ☐ **Task Order**	
4.	**Procurement Dates** :	
	A. Issued: 6/4/26	
	B. Advertised/Publicized: N/A Sole Source	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 6/25/26	
	E. Pre-Qualification Completed: 7/1/26	
	F. Conflict of Interest Form Submitted to Ethics:6/30/26	
	G. Protest Period End Date: 9/23/26	
5.	**Solicitations Picked up/Downloaded**: 0	**Bids/Proposals Received**: 1
6.	**Contract Administrator**: Joshua Haskins	**Telephone Number**: 213-922-1035
7.	**Project Manager**: Harold Torres	**Telephone Number**: 213-922-5714

A. Procurement Background

This Board Action is to approve Contract No. MA139582000 for the procurement of Cummins' Near-Zero Natural Gas-Fueled Engines. Board approval of this contract award is subject to the resolution of any properly submitted protest(s), if any.

A Request for Proposal (RFP) No. MA139582 was issued to the Original Equipment Manufacturer (OEM) Cummins Sales and Service (Cummins) on June 4, 2026, in accordance with Metro's Acquisition Policy and the contract type is a Not-To-Exceed (NTE) Indefinite Delivery, Indefinite Quantity (IDIQ).

No amendment was issued during the solicitation phase of this RFP.

B. Evaluation of Proposal

In accordance with Metro's Acquisition Policy and Public Utility Code (PUC) 130233, staff entered negotiations for a non-competitive contract with Cummins Sales and Service (Cummins).

The proposal provided by Cummins was found to be technically acceptable and fully responsive to the RFP and technical requirements.

C. Cost/Price Analysis

In accordance with Metro's Acquisition Policy for a non-competitive procurement a cost analysis was performed. The recommended proposed price from Cummins has been determined to be fair and reasonable based upon fact findings, technical evaluation and cost analysis conducted by staff. The negotiated amount is 6.8% greater than Metro's ICE due to increased cost of steel, import freight surcharges and other costs of raw materials.

Proposer Name	Metro ICE	Negotiated Amount
Cummins Sales and Service	$66,418,776	$70,990,755.60

D. Background on Recommended Contractor

The recommended firm, Cummins has been in business for thirty-four (34) years and manufactures engines that operate on Renewable Compressed Natural Gas (RCNG), certified by the Federal Environmental Protection Agency (EPA) and California Air Resources Board (CARB) for meeting Near-Zero NOx emissions standards and is an aftermarket distributor of bus parts. Cummins has provided engines and other aftermarket parts to other municipalities and companies such as Orange County Transit Agency, Santa Monica Municipal Bus Lines, San Diego Metropolitan Transit System, Torrance Transit, and other agencies. Cummins has provided satisfactory products and services to Metro on previous purchases.

DEOD SUMMARY

PURCHASE OF NEAR ZERO NATURAL GAS FUELED ENGINES
CONTRACT NO. MA139582000

A. Small Business Participation

The Disadvantaged Business Enterprise (DBE) contract goal for this procurement is zero percent (0%). The U.S. Department of Transportation (USDOT) has issued an Interim Final Rule (IFR) that makes changes to the DBE Program, including suspension of goals and enforcement, effective October 3, 2025. While the DBE commitment is not a factor in the staff's recommendation, Cummins Sales and Service listed one (1) Metro certified small business to perform on this contract.

B. Local Small Business Enterprise (LSBE) Preference

LSBE preference is not applicable to federally funded procurements. Federal law (49 CFR § 661.21) prohibits the use of local procurement preferences on FTA-funded projects.

C. Living Wage Service Contract Worker Retention Policy Applicability

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

D. Prevailing Wage Applicability

Prevailing wage is not applicable to this contract.

E. Project Labor Agreement/Construction Careers Policy (PLA/CCP)

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.

F. Manufacturing Careers Policy

The Manufacturing Careers Policy (MCP) does not apply to this contract. The MCP is required on Metro's Rolling Stock RFPs, with an Independent Cost Estimate of at least $50 million.

BUS MAINTENANCE

NEAR-ZERO NATURAL GAS-FUELED ENGINES

Metro

Operations, Safety, & Customer Experience Committee Meeting
October 15, 2026

RECOMENDATION

AUTHORIZE the Chief Executive Officer to:

A. FIND the procurement of Near-Zero Natural Gas-Fueled Engines under Public Utilities Code (PUC) Section 130237, as an Original Equipment Manufacturer (OEM) item, constitutes a single-source procurement method for the purpose of duplicating equipment already in use; and

B. AWARD a single-source, five-year, Indefinite Delivery, Indefinite Quantity Contract No. MA139582000 to Cummins Sales and Service (Cummins) for 680 engines to replace engines on Metro buses. The five-year contract is for a total Not-To-Exceed (NTE) contract amount of $70,990,755.60 inclusive of sales tax; subject to the resolution of any properly submitted protest(s), if any.

(REQUIRES TWO-THIRDS VOTE OF THE FULL BOARD)

Metro

ISSUE

AWARDEE

Cummins Sales and Service

NUMBER OF BIDS/PROPOSALS

Sole Source

DEOD COMMITMENT

The Disadvantaged Business Enterprise (DBE) contract goal for this procurement is zero percent 0%

ISSUE

The procurement is for the acquisition of Cummins Replacement Engines which will be installed over the course of the next 5 years during the bus midlife replacement program.

Metro

DISCUSSION

DISCUSSION

CMS staff identified the need to purchase new engines for coaches that are to undergo midlife. The Cummins RER L9N Near Zero Emission engine is currently the only CNG mid-range engine to receive emissions certifications from the Federal Environmental Protection Agency (EPA) and California Air Resources Board (CARB) for meeting the 0.02 g/bhp-hr optional Near Zero NOx emissions standard

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