



Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

SUBJECT: CUMMINS ENGINE PARTS

ACTION: AWARD CONTRACT FOR CUMMINS ENGINE PARTS

RECOMMENDATION

Authorize the Chief Executive Officer to award a 24-month, fixed price requirements contract under Bid 02-0206A to Cummins Cal Pacific, the lowest responsive and responsible bidder for the procurement of Cummins L10 engine parts for the Neoplan CNG bus fleet for an amount not to exceed \$9,316,267 inclusive of sales tax.

RATIONALE

The replacement Cummins L10 engine parts are required to maintain and service the Neoplan CNG 4500-4793 and 6300-6600 bus fleet powered by Cummins L10 engines. This agreement will support the maintenance programs at the Regional Rebuild Center and the Service Sectors. This bus fleet was delivered and put into service between 1995 and 1998, and has exceeded the warranty period of two years/200,000 miles.

The Regional Rebuild Center has identified 178 Cummins L10 CNG Phase II and Phase III powered buses for engine overhauls in FY03 and 32 Phase II and Phase III overhauls for the remainder of FY02. This bus fleet consists of 594 buses.

The original order of 196 buses in this fleet was delivered with the Cummins L10 Phase II engines. The balance of the fleet was delivered with the Phase III model of Cummins engines, which has proved to be more reliable than the Phase II engine. The Phase III engine provides a computer controlled fuel delivery system that provides advance reliability, thereby providing fuel, labor, and parts savings.

The components provided under this contract will support the upgrade of the Phase II engines to Phase III engines over the next 24 months as well as engine repairs and overhauls for the Phase III engines.

The Board should be advised that there is current litigation involving the Neoplan buses and the number of parts purchased under this contract may depend on the outcome of the litigation.

FINANCIAL IMPACT

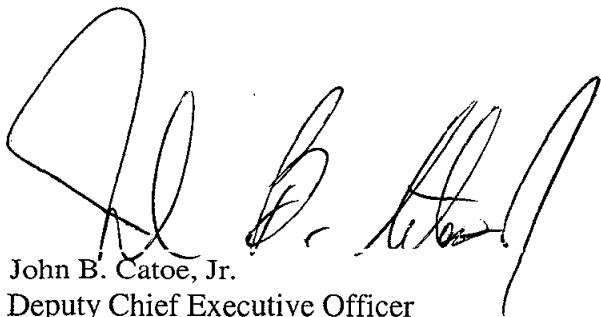
Funding of \$1,164,533.47 for this procurement is included in the FY02 budget in the Cost Centers, 3503, 3508, 3601, 3707, 3710, 3802, 3818, 3441, 3442, and 3443 under project number 300011, Bus Operations. Since this is a multi-year contract, the Cost Center Managers and Deputy Chief Executive Officer will be accountable for budgeting the cost in future years.

ALTERNATIVES CONSIDERED

The alternative is not to award the contract and procure the engine parts on an as needed basis, using the traditional "min/max" inventory replenishing method. This strategy is not recommended since it does not provide for a commitment from the supplier to ensure the availability, timely delivery, continued supply and a guaranteed fixed price for the parts.

ATTACHMENTS

- A. Procurement Summary, Attachment A
- B. Procurement History, Attachment A-1
- C. Bid Tabulation



John B. Catoe, Jr.
Deputy Chief Executive Officer



Roger Snoble
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY
CUMMINS ENGINE PARTS**

1.	Contract Number: 02-026A		
2.	Recommended Vendor: Cummins Cal Pacific		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$ 9,316,267.79	B. Estimated Price: \$11,000,000	
4.	Contract Type: Fixed Price		
5.	Procurement Dates:		
	A. Issued: 1-07-02		
	B. Advertised: 1-07-02		
	C. Pre-proposal Conference: 1-15-02		
	D. Proposals Due:		
	E. Pre-Qualification Completed: Yes		
	F. Conflict of Interest Form Submitted to Ethics: yes		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: No goal recommended	Date Small Business Evaluation Completed: 12-30-01	
	A. Small Business Commitment: No goal recommended		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: 12	Bids/Proposals Picked up: 3	Bids/Proposals Received: 3
8.	Evaluation Information:		
	A. Bidders/Proposers Names: See attached Bid Tabulation Sheet	Bid Amount: \$9,316,267.79	Best and Final Offer Amount: N/A
	B. Evaluation Methodology: Award to low bidder.		
9.	Protest Information:		
	A. Protest Period End Date: April 24, 2002		
	B. Protest Receipt Date: TBD		
	C. Disposition of Protest Date: TBD		
10.	Contract Administrator: Richard Bonino	Telephone Number: (213) 922-1026	
11.	Project Manager: John Petres	Telephone Number: (213) 922-5743	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY
CUMMINS ENGINE PARTS**

A. Background On Contractor

Cummins Cal Pacific headquarters is located in Irvine, California. The company operates full service branches in Montebello, Ventura, Bloomington and El Cajon, California. Cummins Cal Pacific is the exclusive Southern California distributor for Cummins Inc., one of the largest manufacturers of engines for the trucking and bus industry. Cummins Cal Pacific is a major engine supplier for NABI, New Flyer, and Neoplan bus manufacturers.

B. Procurement Background

In accordance with the MTA's Procurement Policies and Procedures, the Quality Assurance Department Section performed a technical evaluation.

All bidders were determined to be in compliance with the specifications, therefore, staff recommends award to the lowest, responsive, responsible bidder on all line items, Cummins Cal Pacific.

The contract to be awarded is a "requirements" contract for a specific duration of time. The bid quantities are estimates only, with deliveries to be ordered and released as required. MTA's obligation is to buy the required parts from the contractor.

The Small Business Diversity Unit (SBD) did not recommend a Disadvantaged Business Enterprise (DBE) participation goal for this procurement.

C. Cost/Price Analysis Explanation of Variances

The recommended bid price of \$9,316,267.79 has been determined to be fair and reasonable based upon adequate price competition and selection of the lowest responsive and responsible bidder.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION
Bid No: 020206A Cummins Engine Parts

Bids Out: 01/07/02 Total 12
 Bids Opened: 03/04/02 Total 3
 No Bids: 4
 Advertisement Date(s): 01/07/02
 Newspaper: Daily News, Korea Times, Wave
and Eastern Group Publications

Item No.	MTA No.	Description	Usage	Cummins Cal Pacific		NABI Inc.		Muncie Transit Supply	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	31005680	Bearing - Main Set, Standard	200	\$136.77	27,354.00	\$165.02	33,004.00	\$110.50	22,100.00
2	31005682	Bearing - Main Set, 020	200	\$144.97	28,994.00	\$195.64	39,128.00	\$173.03	34,606.00
3	31005695	CAP Main Bearing	1,000	\$62.72	62,720.00	\$70.53	70,530.00	\$79.35	79,350.00
4	31005717	Gear - Idler,	200	\$250.80	50,160.00	\$282.05	56,410.00	\$298.65	59,730.00
5	31005725	Gear - Idler, Cam (L-10)	100	\$250.80	25,080.00	\$282.05	28,205.00	\$317.31	31,731.00
6	31005734	Gear - Crank (LTA-10)	100	\$213.24	21,324.00	\$239.81	23,981.00	\$269.78	26,978.00
7	31005797	Lever Kit - Cam Follower) L-10	1,000	\$39.99	39,990.00	No Bid	0.00	No Bid	0.00
8	31005804	Gear-Accessory, Drive (LTA-10)	200	\$175.04	35,008.00	\$196.82	39,364.00	\$221.42	44,284.00
9	31005821	Gear - HYD, Pump (LTA-10)	100	\$218.75	21,875.00	\$246.01	24,601.00	\$276.76	27,676.00
10	31006161	Sleeve - Wear, Rear Crank L10	200	\$88.83	17,766.00	\$99.90	19,980.00	\$112.38	22,476.00
11	31006225	Crosshead - LTA-10	2,000	\$12.99	25,980.00	\$14.61	29,220.00	\$16.43	32,860.00
12	31006309	Insert - Valve	4,000	\$7.94	31,760.00	\$9.24	36,960.00	\$9.92	39,680.00
13	31006363	Spacer - Camfollower Lever	1,000	\$29.98	29,980.00	\$33.71	33,710.00	\$42.14	42,140.00
14	31006364	Ring - Compression, 2nd Ring, Rectangular	1,000	\$21.40	21,400.00	\$24.06	24,060.00	\$27.07	27,070.00
15	31006428	Accessory Drive Shaft Asm	200	\$247.22	49,444.00	\$278.02	55,604.00	\$312.77	62,554.00
16	31006429	Seal-Grommet, Spark Plug Tub	1,000	\$26.12	26,120.00	\$29.02	29,020.00	\$32.65	32,650.00
17	31006433	Sensor - Pressure	400	\$139.27	55,708.00	\$156.62	62,648.00	\$176.20	70,480.00
18	31006442	Body - Waste gate Valve, L10 260 &280 (CNG)	200	\$290.20	58,040.00	\$333.77	66,754.00	\$367.15	73,430.00
19	31006454	Valve Asm - Air Control, Actuator Turbo Waste gate	200	\$277.12	55,424.00	No Bid	0.00	\$350.61	70,122.00
20	31006485	Tensioner - Belt, 24V Alternator	200	\$150.86	30,172.00	\$169.64	33,928.00	\$190.86	38,172.00
21	31006491	Damper - Vibration	200	\$572.69	114,538.00	\$644.05	128,810.00	\$724.56	144,912.00
22	31006503	Shield - Heat	200	\$116.37	23,274.00	\$130.86	26,172.00	\$147.22	29,444.00
23	31006509	Liner - Cylinder	1,000	\$100.06	100,060.00	\$112.53	112,530.00	\$126.60	126,600.00
24	31006531	Kit - Gear Cover	200	\$196.18	39,236.00	\$220.62	44,124.00	\$248.20	49,640.00
25	31006533	Kit - Cylinder, Piston, L10, 240/260 HP & 280/300 HP	1,000	\$322.51	322,510.00	\$358.34	358,340.00	\$403.13	403,130.00
26	3100654	Block - Cylinder, Heavy Duty Wide Flange, Phase II &	200	\$4,227.87	845,574.00	\$4,754.71	950,942.00	\$5,349.05	1,069,810.00
27	31006557	Cover - Hand Hole	200	\$125.44	25,088.00	\$141.06	28,212.00	\$158.70	31,740.00
28	31006588	Screw - Captive Washer Cap	8,000	\$10.49	83,920.00	\$13.27	106,160.00	\$14.00	112,000.00
29	31006597	Manifold - Exhaust	350	\$162.51	56,878.50	\$182.75	63,962.50	\$205.60	71,960.00

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION

Bid No: 020206A Cummins Engine Parts

Bids Out: 01/07/02 Total 12

Bids Opened: 03/04/02 Total 3

No Bids: 4

Advertisement Date(s): 01/07/02

Newspaper: Daily News, Korea Times, Wave and Eastern Group Publications

Item No.	MTA No.	Description	Usage	Cummins Cal Pacific		NABI Inc.		Muncie Transit Supply	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
30	31006622	Push Rod	2,000	\$13.84	27,680.00	\$15.56	31,120.00	\$17.51	35,020.00
31	31006657	Pulley – Alternator Drive, (45-4799 CNG)	200	\$143.90	28,780.00	\$161.83	32,366.00	\$182.06	36,412.00
32	31006658	Pulley – Accessory Drive	200	\$278.57	55,714.00	\$328.74	65,748.00	\$369.83	73,966.00
33	31006666	Pump – Lubricating	200	\$498.53	99,706.00	\$560.64	112,128.00	\$630.72	126,144.00
34	31006673	Connecting Rod Asm – L10, 240/260 HP, CNG, Phase II	1,000	\$394.56	394,560.00	\$443.72	443,720.00	\$499.18	499,180.00
35	31006682	Manifold – Exhaust	200	\$179.57	35,914.00	\$201.94	40,388.00	\$227.18	45,436.00
36	31006716	Cover –Rocker Lever	200	\$373.15	74,630.00	\$414.61	82,922.00	\$466.43	93,286.00
37	31006780	Wire- Sparkling Plug, LG-280G, Cyl 2,3,4 &5 (4696-(4696-6600)	700	\$109.79	76,853.00	\$121.98	85,386.00	\$137.23	96,061.00
38	31006805	Module _ Electronic Control, ECM (Bravo Only)	200	\$1,031.70	206,340.00	\$1,160.26	232,052.00	\$1,305.30	261,060.00
39	31006782	Wire – Spark Plug, LG-280G, CYL 1 & 6 (4696-6600 CNG)	350	\$109.79	38,426.50	\$121.98	42,693.00	\$181.40	63,490.00
40	31006788	Kit – Oxygen Sensor & Module, (280/300G)	200	\$341.30	68,260.00	\$589.48	117,896.00	\$663.17	132,634.00
41	31006793	Module – Control, Ignition, L10-280G, Bravo Engine	200	\$610.97	122,194.00	\$687.00	137,400.00	\$772.98	154,596.00
42	31006812	Module – Governor Control, Woodward, 280/300G Bravo	200	\$5,816.29	1,163,258.00	\$6,462.51	1,292,502.00	\$7,270.36	1,454,072.00
43	31006813	Valve – Control Fuel Flow, 280/300G Bravo	350	\$484.56	169,596.00	\$538.40	188,440.00	\$605.70	211,995.00
44	31006814	Regulator – Gas Pressure, Secondary, Fuel Manifold	200	\$314.28	62,856.00	\$336.80	67,360.00	\$397.62	79,524.00
45	31006815	Valve – Fuel Shutoff, Fuel Manifold, 280/300G Bravo	200	\$303.61	60,722.00	\$341.44	68,288.00	\$384.12	76,824.00
46	31006819	Actuator – Throttle Plate, Electronic, 280/300G	200	\$1,520.89	304,178.00	\$1,710.40	342,080.00	\$1,924.20	384,840.00
47	31006833	Camshaft	200	\$696.30	139,260.00	\$783.06	156,612.00	\$880.45	176,090.00
48	31006834	Gear – Camshaft	200	\$526.63	105,326.00	\$585.14	117,028.00	\$658.28	131,656.00
49	31006842	Cover – Water Header	200	\$160.04	32,008.00	No Bid	0.00	No Bid	0.00
50	31006883	Head – Lube Oil Filter	200	\$224.17	44,834.00	\$252.10	50,420.00	\$283.61	56,722.00
51	31006888	Connection – Air Intake	200	\$156.54	31,308.00	\$173.93	34,786.00	\$195.67	39,134.00

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Item No.	MTA No.	Description	Usage	Cummins Cal Pacific		NABI Inc.		Muncie Transit Supply	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
52	31006889	Gasket Set – L10-CNG Engine	200	\$294.66	58,932.00	\$326.93	65,386.00	\$372.80	74,560.00
53	31006916	Housing – Fuel Distributor	200	\$393.61	78,722.00	\$437.34	87,468.00	\$492.01	98,402.00
54	31006947	Support – Front Engine	200	\$336.33	67,266.00	\$378.23	75,646.00	\$425.51	85,102.00
55	31006948	Bracket – Alternator	200	\$384.61	76,922.00	\$432.53	86,506.00	\$486.60	97,320.00
56	31006989	Housing – Rocker Lever	200	\$363.07	72,614.00	\$408.31	81,662.00	\$459.35	91,870.00
57	210200205	Pump – Power Steering, Vickers (45-6476)	200	\$1,245.34	249,068.00	\$1,400.52	280,104.00	\$1,575.58	315,116.00
58	210401782	Cover – Water Pump	200	\$124.23	24,846.00	\$139.71	27,942.00	\$157.17	31,434.00
59	210913705	Harness – Wiring, Main, Engine Controls (Bravo)	200	\$672.34	134,468.00	\$747.04	149,408.00	\$840.42	168,084.00
60	211000413	Cap – Filler, L10-260G Cummings, CNG Engine	200	\$179.70	35,940.00	\$202.08	40,416.00	\$227.35	45,470.00
61	211000414	Connection – Oil Filler, L10-260G Cummins, CNG Engine	200	\$146.00	29,200.00	\$164.18	32,836.00	\$184.71	36,942.00
62	211000485	Turbocharger – L10 Bravo, CNG (4696 6600)	200	\$1,295.28	259,056.00	\$1,456.67	291,334.00	\$1,638.76	327,752.00
63	211000499	Actuator – Turbocharger, Waste gate, L10 Bravo	200	\$133.09	26,618.00	\$149.67	29,934.00	\$168.38	33,676.00
64	211000513	Coil – Ignition, L10 Bravo Engine (NEO 4696-6550)	350	\$229.42	80,297.00	\$254.91	89,218.50	\$286.77	100,369.50
65	211000541	Crankshaft – L10, CNG	200	\$2,257.81	451,562.00	\$3,205.81	641,162.00	\$2,856.53	571,306.00
66	211000553	Clamp Retaining – Plug Adaptor, Phase III Head	1,000	\$69.60	69,600.00	\$77.33	77,330.00	\$87.00	87,000.00
67	211000555	Adapter – Spark Plug Phase III	1,000	\$134.03	134,030.00	\$148.92	148,920.00	\$167.53	167,530.00
68	211000580	Tube – Spark Plug, Phase III, CNG	1,000	\$32.27	32,270.00	\$35.96	35,960.00	\$40.33	40,330.00
69	211000671	Housing – Gear L10, Front, Phase II & III	200	\$300.36	60,072.00	\$337.78	67,556.00	\$380.01	76,002.00
70	211000716	Harness – Wiring, Body Connector to GCM, Phase III B	200	\$133.29	26,658.00	\$149.90	29,980.00	\$168.63	33,726.00
71	2211000717	Probe Asm – Replenishment System, Engine Oil, L10 CU	200	No Bid	0.00	No Bid	0.00	No Bid	0.00
72	211000724	Manifold – Intake, Cummins L10 CNG, Phase 3 Engine	200	\$341.42	68,284.00	\$383.96	76,792.00	\$431.96	86,392.00

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY BID TABULATION

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Item No.	MTA No.	Description	Usage	Cummins Cal Pacific		NABI Inc.		Muncie Transit Supply	
				Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
73	211000733	Cooler – Oil, Lubricating, (NEO 4696-4793)	200	\$253.30	50,660.00	\$284.86	56,972.00	\$320.47	64,094.00
74	211000778	Connection – Exhaust Outlet, Turbo (Bravo)	200	\$174.69	34,938.00	\$194.10	38,820.00	\$218.36	43,672.00
75	211000833	Housing – Fuel Control, 280G/300G HP, Bravo	200	\$414.48	82,896.00	\$466.12	93,224.00	\$524.38	104,876.00
76	2211000501	Compressor – Air, Tu-Flo 750	200	\$1,865.71	373,142.00	\$2,098.18	419,636.00	\$2,360.46	472,092.00
77	3031005662	Rocker Arm Asm	5000	\$30.31	151,550.00	\$585.33	2,926,650.00	\$658.50	3,292,500.00
78	3031005722	Drive Asm – Fuel Pump/Air Comp	200	\$492.57	98,514.00	\$553.94	110,788.00	\$623.18	124,636.00
79	3031006530	Water Pump Asm	200	\$511.74	102,348.00	\$575.51	115,102.00	\$647.45	129,490.00
80	3031006660	Camshaft Follower Asm	200	\$39.99	7,998.00	\$44.97	8,994.00	\$50.60	10,120.00
Sub Total					8,606,252.00		12,453,441.00		13,915,330.50
Sales Tax 8.25%					710,015.79		1,027,408.88		1,148,014.77
Total Bid					9,316,267.79		13,480,849.88		15,063,345.27

"No Bids" Received from Neopart, Gillig Corp., New Flyer Parts and Prevost Parts

I hereby certify Cummins Cal Pacific as being the lowest responsible bidder and recommend the award to them for total price, including sales tax, of \$9,316,267.79.

3/15/02

Date



Signature