



OPERATIONS COMMITTEE:
JANUARY 21, 1998

SUBJECT: PROCURE REPLACEMENT BUS ENGINES

**ACTION: APPROVE CONTRACT AWARD FOR TRANSIT
BUS ENGINES.**

Metropolitan
Transportation
Authority

RECOMMENDATION

One Gateway Plaza
Los Angeles, CA
90012-2932

Award contracts to procure 65 L10 Cummins Diesel Engines and 35 Detroit Diesel 6I71 Engines to replace diesel engines in the MTA Flexible bus fleet at a total bid price of \$1,736,249.00 as follows:

A. Cummins Cal Pacific, Inc.	\$1,287,281.94
B. Valley Detroit Diesel Allison, Inc.	\$ 448,966.88

(213) 922-2000

RATIONALE

Replacement engines are required to maintain Flexible buses that use either Cummins or Detroit Diesel engines.

The Regional Rebuild Center (RRC) engine-failure forecast projects that 722 buses of various types (excluding ethanol) will require a rebuilt engine during FY98. The RRC engine line is currently staffed to rebuild a maximum of 597 diesel engines. An additional 25 engines with low mileage are being recovered from severely damaged or old buses pending sale. The plan includes the purchase of an additional 100 new engines to meet the projected demand for 722 buses.

With each engine change, emissions must meet current EPA criteria. Therefore, replaced engines emit fewer particulates than original equipment.

FINANCIAL IMPACT

This procurement is funded 80% by Grant No. CA-90X771, through which \$1,736,249.00 is reserved in the FY 98 Budget, under cost center 3441, Power Plant, RRC Support Shops.

PROCUREMENT SUMMARY

Invitation for bid No. 12-9701 was issued and advertised on November 10, 1997. The notice of availability was mailed to 11 potential suppliers. On December 16, 1997, two bids were received and opened.


The technical evaluation performed by Transit Operations determined that the suppliers recommended for awards met all requirements of the specifications.

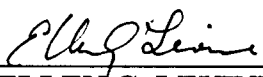
SMALL BUSINESS PARTICIPATION


The Equal Opportunity Department waived the DBE goal for this procurement based on the following factors:

1. Valley Detroit Diesel is the only Detroit Diesel and Allison Distributor in Southern California authorized to supply the 6I71 Long Blocks. Cummins Cal Pacific is the only authorized distributor to supply the L10-270 diesel engine built for the DR-141-FW.
2. A search of current availability revealed the lack of a sufficient number of DBE firms authorized to distribute Cummins Engine L10 and 6I71 Detroit Engines.
3. Copies of these procurement specifications were forwarded to the Small Business Development and Outreach (SBDO) and the Transportation Business Advisory Council (TBAC) for extended outreach.
4. In addition, EO has invited Cummins Cal Pacific to kick off its new outreach program in January 1998, and Valley Detroit Diesel to participate in February 1998. We anticipate this program will enhance contracting opportunities for small businesses. The MTA is particularly interested in presenting potential small business participants to programs which support the identification, development and utilization of minority suppliers.

Prepared by James Whittaker, Buyer
Procurement Department


ART KIMBALL
Executive Officer
Procurement


ELLEN G. LEVINE
Executive Officer
Transit Operations


ALLAN LIPSKY
Office of the Chief
Executive Officer

Attachments: Procurement Summary, Bid Tabulation

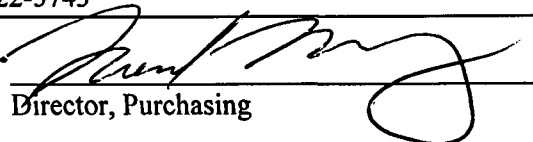
Procurement: Transit Bus Engines

Board Date: January 22, 1998

BOARD REPORT ATTACHMENT "A"
PROCUREMENT SUMMARY
SEALED BID
12-9701

1.	Recommended Vendor:
	Name: Cummins Cal Pacific, Valley Detroit Diesel
	City: Montebello ,CA., City Of Industry
	Total Dollar Amount: \$1,736,249.00
2.	Description of Equipment or Material: replacement bus engines for the Flexible Metro Bus Fleet.
3.	Issued and Advertised: November 10, 1997
4.	DBE Participation Goal? Zero goal was established for this procurement.
5.	No. of Bids Sent: 11
6.	No. of Bids Picked up or retrieved from the Internet by Vendors: 0
7.	Pre-Bid Conference: December 2, 1997
8.	Date bids opened: December 16, 1997
9.	No. of bids received: 2
10.	Staff analysis: Cummins Cal Pacific \$1,287,281.94 Valley Detroit Diesel \$ 448,966.88
11.	Protest Received: None Disposition of Protest/Appeal:
12.	Award to Other than Low Bid? No
13.	Conflict of Interest form submitted to Ethics? Yes
14.	EO Evaluation Completed: None; Zero goal established.
15.	Audit Report Status: Completed
16.	Buyer: James Whittaker Tel: 213/922-6852
17.	Project Manager: John Petres Tel: 213/922-5743

Concur:


Director, Purchasing

Concur:

Executive Officer, Procurement

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Date: December 18, 1997

Abstract of Proposals - Bid Tabulation Page 1 of 1

Bid #12-9701

Bids Out 11/10/97 Total 11

Bids Opened 12/18/97 Total 2

Advertisement: No Bid 1

Date: 11/10/97 No Response 8

Newspaper Daily News

Non-Minority Bids 11 Sent 2 Received

Minority Bids 0 0

Cummins Cal Pacific, Inc. 1105 S Greenwood Ave. Montebello, Calif. 90640	Valley Detroit Diesel Allison 13644 E Nelson Ave. City of Industry, Calif. 91746						
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QUANTITY	ARTICLES	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE	PRICE
35	6171TD Detroit Diesel Engines @		\$ 11,850.00					
			\$ 414,750.00					
65	L10 CPL Code Cummins Engines @	\$ 18,295.00						
		\$ 1,189,175.00						
	Sales Tax (8.25%)	\$ 98,106.94	\$ 34,216.88					
	Total Bid	\$ 1,287,281.94	\$ 448,966.88					

ETHNIC BREAKDOWN

- (1) Majority
- (2) Black
- (3) Spanish Surname
- (4) Oriental
- (5) American Indian
- (6) Other

I hereby certify Valley Detroit/ Cummins as being the lowest responsible bidder and recommend the award to them for total bid price, including sales tax, of \$1,736,248.82

12-23-97
Date

[Signature]
Signature