



Board Report

File #: 2022-0394, File Type: Motion / Motion Response

Agenda Number: 38.

OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE SEPTEMBER 15, 2022

SUBJECT: IGNITION CONTROL MODULE

ACTION: APPROVE CONTRACT AWARD

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to award a two-year, Indefinite Delivery/Indefinite Quantity (IDIQ) Contract No. MA86135000 to Cummins, Inc., who was the responsive and responsible bidder, for ignition control modules. The contract's first-year base amount is \$548,316 inclusive of sales tax, and the one-year option amount is \$562,024, inclusive of sales tax, for a total contract amount of \$1,110,340, subject to resolution of protest(s), if any.

ISSUE

This procurement is for the acquisition of ignition control modules, which are computer controllers used on Cummins 8.9L ISLG near zero engines installed in Metro buses. This component is essential to the operation, control, and monitoring of the bus engine when in operation. The module controls the main functions of engine operation to ensure peak performance. The bus operating divisions replace the ignition control module upon failure, and it is imperative to have ignition control modules in stock to minimize service disruptions due to maintenance.

Award of this contract will ensure the operating divisions have adequate inventory to repair and maintain the buses according to Metro maintenance standards and are necessary to ensure service continuity and avoid any interruption to Metro operations.

BACKGROUND

The ignition control module is the main controller for the operation of Cummins CNG engines on Metro buses. The ignition control module's function is to monitor, control, and adjust engine parameters to keep the engine running in compliance with certified performance and emissions standards. An operational ignition control module is essential to ensure the reliability and safety of our bus engines.

DISCUSSION

The ignition control module is the main computer for the Cummins 8.9L CNG engine. Replacement of

the ignition control module is required upon failure of these components. The ignition control module's inventory and availability are crucial to ensure our passengers' safe transportation. In addition, the availability of the ignition control module will reduce bus downtime and keep the bus fleet in revenue service.

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. However, we have no obligation or commitment to order any specific quantity of the ignition control module that may currently be anticipated. The bid quantities are estimates only, with deliveries to be ordered and released as required.

The ignition control module will be purchased and maintained in inventory and managed by Material Management. As the ignition control module is issued from stock, the appropriate budget project numbers and accounts will be charged.

DETERMINATION OF SAFETY IMPACT

The award of this contract will ensure that all operating divisions have adequate inventory to maintain the bus fleet according to Metro Maintenance standards. This action will prevent deferred maintenance and maintain the bus availability for revenue service.

FINANCIAL IMPACT

The funding of \$548,316 for this product is included in the FY23 budget in various bus operating cost centers, under project 306002 - Operations Maintenance, under line item 50441 - M/S Parts - Revenue Vehicle.

Since this is a one-year contract with a one-year option, the cost center managers and Chief Operations Officer will be accountable for budgeting the cost in future fiscal years, including any option exercised.

Impact to Budget

The current source of funding for this action are Federal, State, and Local, including sales tax and fares. These sources are eligible for Bus Operating or Capital projects. Using these funding sources maximizes the project funding allocations allowed by approved provisions and guidelines.

EQUITY PLATFORM

The benefits of this action are to ensure that the bus fleet continues to serve most regions in Los Angeles County, including in many underserved communities, where these vital transportation services are needed to ensure residents' access to jobs, housing, education, health, and safety. Bus transportation provides an important lifeline for these residents, and this action helps ensure the Metro bus maintenance programs provide the proper State of Good Repair for the bus fleet.

The Diversity and Economic Opportunity Department (DEOD) established a two percent (2%) DBE

goal and verified the commitment by the successful bidder for this procurement.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The ignition control module supports Strategic Goal 1: Provide high-quality mobility options that enable people to spend less time traveling. The ignition control module will help maintain the bus fleets' reliability and ensure that our customers can arrive at their destinations without interruption and in accordance with Metro bus operations.

ALTERNATIVES CONSIDERED

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

NEXT STEPS

Upon approval by the Board, staff will execute Contract No. MA86135000 for the procurement of ignition control modules with Cummins Inc. at the one-year base amount of \$548,316 inclusive of sales tax, and the one-year option amount of \$562,024, inclusive of sales tax, for a total contract amount of \$1,110,340.

ATTACHMENTS

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: Harold Torres, Sr. Director Central Maintenance (213) 922-5714
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Stephanie N. Wiggins
Chief Executive Officer

PROCUREMENT SUMMARY

IGNITION CONTROL MODULE/MA86135000

1.	Contract Number: MA86135000	
2.	Recommended Vendor: Cummins Inc., 1939 Deere Avenue, Irvine, CA 92606	
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: 3/04/22	
	B. Advertised/Publicized: 3/10/22	
	C. Pre-proposal/Pre-Bid Conference: N/A	
	D. Proposals/Bids Due: 4/6/22	
	E. Pre-Qualification Completed: 5/29/22	
	F. Conflict of Interest Form Submitted to Ethics: 5/15/22	
	G. Protest Period End Date: 8/22/22	
5.	Solicitations Picked up/Downloaded: 11	Bids/Proposals Received: 2
6.	Contract Administrator: Tanya Allen	Telephone Number: (213) 922-1018
7.	Project Manager: Harold Torres	Telephone Number: (213) 922-5714

A. Procurement Background

This Board Action is to approve Contract No. MA86135000 for the procurement of Ignition Control Modules. Board approval of this contract award is subject to resolution of any properly submitted protest.

An Invitation for Bid (IFB) No. MA86135 was issued in accordance with Metro's Acquisition Policy and the contract type is Indefinite Delivery, Indefinite Quantity (IDIQ).

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

A total of two (2) bids were received on April 6, 2022.

B. Evaluation of Bids

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

1. Cummins Inc.
2. The Aftermarket Parts Company LLC

Both firms were determined to be responsive and responsible to the IFB requirements. The recommended firm, Cummins Inc., the lowest responsive and responsible bidder, was found to be in full compliance in meeting the bid and technical requirements of the IFB.

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. The recommended award is higher than the previous purchase price due to rising material costs, raw material shortages, higher gas prices, and increased freight charges.

Low Bidder Name	Bid Amount	Metro ICE
Cummins Inc.	\$1,110,339.86	\$938,940
The Aftermarket Parts Company, LLC	\$1,357,394.85	

D. Background on Recommended Contractor

The recommended firm, Cummins Inc. (Cummins) is located in Irvine, CA has been in business for 102 years. Cummins has provided similar products for Metro and other agencies including Orange County Transit Authority, San Diego Metropolitan Transit System, and Santa Monica Big Blue Bus and numerous other transit proprietries that are available upon request. Cummins has provided satisfactory service and product to Metro on previous purchases.

DEOD SUMMARY

IGNITION CONTROL MODULE/MA86135000

A. Small Business Participation

The Diversity and Economic Opportunity Department (DEOD) established a 2% Disadvantaged Business Enterprise (DBE) goal for this solicitation. Cummins Inc. met the goal by making a 2% DBE commitment.

Small Business Goal	2% DBE	Small Business Commitment	2% DBE
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	DBE Subcontractors	Ethnicity	% Committed
1.	Say Cargo Express	Hispanic American	2%
Total Commitment			2%

B. Living Wage / 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 wage is 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.