

ORDINANCE NO. 003-33

AN ORDINANCE DECLARING PUBLIC
BIDDING DISADVANTAGEOUS AND
AUTHORIZING A CONTRACT FOR ZF
TRANSMISSION
NON-WARRANTY CONTINGENT REPAIRS

— WHEREAS, The Chicago Transit Authority ("Authority") has contracts with ZF Industries, Inc. ("ZFI"), for rebuilding ZF automatic bus transmissions; and

WHEREAS, During the warranty period, the Authority sends defective ZF transmissions to ZFI for warranty work; and

WHEREAS, Upon testing and/or disassembly, some of these transmissions are mutually determined by ZFI and CTA's inspectors to have defects which are not covered under warranty; and

WHEREAS, ZFI is either directed by CTA to effect minor repairs which would be covered under this non-warranty contingent repair contract or perform major work under separate transmission rebuilding contracts; and

WHEREAS, In the case of those transmissions which CTA elects ZFI to do minor repairs, it is not prudent to have other firms do the work as the transmissions would have to be reassembled and transported; and

WHEREAS, ZFI is the transmission's manufacturer and has certified that the prices quoted to CTA are equal to or not greater than prices currently quoted to its most favored customers; and

WHEREAS, Section 54.3-5 of the Regulations Governing Purchase and Sales Transactions provides for the award of contract in those situations where the Transit Board determines that competitive public bidding would be disadvantageous; now, therefore:

BE IT ORDAINED BY THE CHICAGO TRANSIT BOARD
OF THE CHICAGO TRANSIT AUTHORITY:

SECTION 1: That based on the statements set forth in the preamble of this ordinance, the Transit Board hereby determines that competitive public bidding for this requirement is disadvantageous.

SECTION 2: That the Chairman of the Board, or her designee, is hereby authorized to execute contract B02OP00415 with ZF Industries, Inc., to perform contingency non-warranty transmission rebuilding work, in the not-to-exceed amount of \$150,000.00, for twenty-four (24) months from date of contract execution.

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SECTION 3: This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

March 5, 2003

Assistant Secretary

March 5, 2003