

ORDINANCE NO. 002-164

AN ORDINANCE DECLARING PUBLIC
BIDDING DISADVANTAGEOUS AND
AUTHORIZING A CONTRACT FOR DETROIT
DIESEL ENGINE AND ALLISON
TRANSMISSION NON-WARRANTY
CONTINGENT REPAIRS

WHEREAS, The Chicago Transit Authority ("Authority") has entered into contracts with Inland Detroit Diesel-Allison ("IDD-A") for rebuilding Detroit Diesel engines and/or Allison transmissions; and

WHEREAS, During the warranty period, the Authority sends defective Detroit Diesel engines and/or Allison transmissions to IDD-A for warranty work; and

WHEREAS, Upon testing and/or disassembly, some of these engines and/or transmissions are mutually determined by IDD-A and CTA's inspector(s) to have defects which are not covered under warranty; and

WHEREAS, IDD-A 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 rebuilding contracts; and

WHEREAS, In the case of those engines and/or transmissions which CTA elects IDD-A 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, IDD-A is the local distributor 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 B02OP00750 with Inland Detroit Diesel-Allison to perform contingency non-

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warranty engine and/or transmission rebuilding work, in the not-to exceed amount of \$250,000.00, for twenty-four (24) months from date of contract execution.

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

APPROVED:

PASSED:

Chairman

November 14, 2002

Assistant Secretary

November 14, 2002