

ORDINANCE NO. 005-86

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

WHEREAS, The Chicago Transit Authority ("Authority") has entered into contracts with Cummins NPower, LLC ("Cummins"), which require Cummins to complete warranty repair and rebuilding of Cummins diesel engines; and

WHEREAS, During the warranty period, Cummins repairs and/or rebuilds defective Cummins engines; and

WHEREAS, Upon testing and/or disassembly, some of these engines are mutually determined by Cummins and the Authority's inspector(s) to have defects which are not covered under the warranty; and

WHEREAS, Cummins is directed by CTA either 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 for which the Authority elects Cummins to do minor repairs, it is not prudent to have other firms do the work as the engines would have to be reassembled and transported; and

WHEREAS, Cummins NPower, LLC, is the local distributor and has certified that the prices quoted to CTA are equal to or no 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.

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SECTION 2: That the Chairman of the Board, or her designee, is hereby authorized to execute contract B04OP00554 with Cummins NPower, LLC, in the not-to-exceed amount of \$10,000.00, to perform contingency non-warranty engine repair work 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

June 9, 2005

Assistant Secretary

June 9, 2005