

ORDINANCE NO. 010-89

AN ORDINANCE DECLARING PUBLIC BIDDING
DISADVANTAGEOUS AND AUTHORIZING A
CONTRACT WITH ZF SERVICES NA, LLC FOR
NON-WARRANTY CONTINGENCY REPAIRS OF
ZF TRANSMISSIONS

WHEREAS, The Chicago Transit Authority ("Authority") has entered into contracts with ZF Services NA, LLC ("ZF") which require ZF to complete warranty repair and rebuilding of ZF diesel transmissions in the Authority's bus fleet; and

WHEREAS, During the warranty period, ZF will repair and/or rebuild defective ZF transmissions; and

WHEREAS, Upon testing and/or disassembly, some of these transmissions may be determined by both ZF and the Authority's inspector(s) to have minor defects which are not covered under the warranty; and

WHEREAS, It would not be prudent to have another firm do the non-warranty work because this would require that the transmissions be reassembled and transported to another site; and

WHEREAS, In those cases, the Authority will, instead, direct ZF to complete these minor repairs under this non-warranty contingent repair contract; and

WHEREAS, ZF Services NA, LLC is the local rebuilder and has certified that the prices quoted to the Authority 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 contracts 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 his designee, is hereby authorized to execute contract B10OP00415 with ZF Services NA, LLC to perform non-warranty engine repair work in the not-to-exceed amount of \$70,000.00, for thirty-six (36) months from date of contract execution.

ORDINANCE NO. 010-89
(Continued) -2

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

APPROVED:

PASSED:

Chairman

August 11, 2010

Assistant Secretary

August 11, 2010