

ORDINANCE NO. 015-62

AN ORDINANCE AMENDING THE  
CHICAGO TRANSIT AUTHORITY  
PROCUREMENT POLICY AND  
PROCEDURES TO INCREASE THE  
COMPETITIVE BIDDING THRESHOLD  
FOR SMALL PURCHASES

---

WHEREAS, On January 11, 2012, the Chicago Transit Board adopted the Amended Procurement Policy and Procedures, which are known as the "Chicago Transit Authority Procurement Policy and Procedures," in Ordinance No. 012-2, as required by the Metropolitan Transportation Authority Act, 70 ILCS 3605 et seq. (the "MTA Act"); and

WHEREAS, since 1991, Section 32 of the MTA Act has provided that purchases over \$10,000.00 may be made only after public notice and with competitive public bidding; and

WHEREAS, the Chicago Transit Authority Procurement Policy & Procedures currently require that purchases over \$10,000.00 be made only after public notice and with competitive public bidding; and

WHEREAS, The Illinois General Assembly amended Section 32 of the MTA Act and Section 4.06 of the RTA Act effective January 9, 2015 to increase the threshold requirement for public bidding from over \$10,000.00 to over \$40,000.00 for procurements conducted by the Authority, RTA, Metra, and Pace; and

WHEREAS, If the Authority raises the threshold consistent with the change in State law such that only contracts over \$40,000.00 will be subject to competitive bidding, the Authority anticipates it will save Staff time and advertising expenses, as well as decrease the procurement time for Authority contracts; from 3-5 months to under 60 days; and

WHEREAS, Procurement staff will continue to follow internal controls established for contracts below the competitive bidding threshold, which require requests for quotes from multiple vendors including DBE vendors, require the Authority to accept the lowest responsive and responsible bidder's quote, and require the process to be documented in the procurement file; and

WHEREAS, The Authority desires to amend its regulations governing those procurements which do not require public notice by increasing the threshold from \$10,000.00 to \$40,000.00; and

ORDINANCE NO. 015-62

(Continued) -2

WHEREAS, Staff recommends amending the Procurement Policy Statement set forth in Chapter 1 of the Procurement Policy and Procedures to incorporate the higher threshold for competitive public bidding allowed by the MTA Act; now, therefore:

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

SECTION 1. Section 1.3 of the Chicago Transit Authority Procurement Policy and Procedures are hereby amended to provide as follows:

1.3 Competitively Bid Procurements

CTA will conduct all procurement transactions consistent with the above-stated procurement standards through the use of those competitive procurement procedures best suited to the particular procurement, except as otherwise specifically justified.

Except as otherwise authorized by these Procurement Policy and Procedures or otherwise specifically justified, all Purchase Orders or contracts for the purchase or sale of real property, the purchase, lease, or sale of personal property, equipment, materials or supplies, labor services or construction over \$40,000.00 by or on behalf of the CTA will be let by free and open Competitive Bidding.

A. Sealed Bids (Invitations for Bids) will be utilized if:

- i. A complete, adequate, precise and realistic specification or purchase description is available;
- ii. The award will be made on the basis of price and price-related factors;
- iii. It will not be necessary to conduct discussions with the responding Vendors about their bids;
- iv. There is a reasonable expectation of receiving more than one sealed Bid; and
- v. The procurement generally lends itself to a firm fixed price contract.

CTA will have procedures to ensure the fair and unbiased evaluation of bids. CTA will have procedures to ensure that only the lowest, responsive (including DBE compliant) and responsible Bidders are recommended for award of contracts.

B. Negotiated procurements (Requests for Proposals, Requests for Letters of Interest and Qualifications) will be used if the nature of the procurement does not lend itself to sealed Bidding and CTA expects that more than one source will be willing and able to submit a proposal.

ORDINANCE NO. 015-62

(Continued) -3

CTA will have procedures to ensure the fair and unbiased evaluation of competing Proposals. These procedures will incorporate a clear and accurate description of the technical requirements and a comprehensive scope of work for the goods or services to be procured.

- i. Requests for Proposals ("RFPs") will clearly state the evaluation factors, including cost or price, cost or price-related factors and non-cost or non-price related technical and business management factors that will be considered in making a Contractor selection/recommendation.
- ii. Requests for Letters of Interest and Qualifications ("LIQs") will clearly state the evaluation factors that will be considered in making a Contractor selection/recommendation.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

---

Chairman

June 10, 2015

---

Assistant Secretary

June 10, 2015