

ORDINANCE NO. 019-35

AN ORDINANCE DECLARING PUBLIC
BIDDING DISADVANTAGEOUS AND
AUTHORIZING A CONTRACT WITH
CUMMINS INC. FOR NON-WARRANTY
CONTINGENT REPAIRS OF
CUMMINS DIESEL ENGINES

WHEREAS, The Chicago Transit Authority (“Authority”) has entered into contracts with Cummins Inc. (“Cummins”) which require Cummins to complete warranty repair and rebuilding of Cummins diesel engines in the Authority’s bus fleet; and

WHEREAS, Upon testing or disassembly, some of these engines may be determined by both Cummins and the Authority’s inspectors to have minor defects which are not covered under the warranty; and

WHEREAS, It would not be prudent or cost-effective to have another firm perform the non-warranty work because this would require that the engines be reassembled and transported to another site; and

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

WHEREAS, Cummins Inc. is the local distributor of Cummins parts and has certified that the prices quoted to the Authority are “equal to” or “not greater than” prices currently quoted to its most-favored customers; and

WHEREAS, Section 1.4D of the Authority’s Procurement Policy and Procedures provides for the award of contracts without competitive bidding where federal funds are not utilized and the Chicago Transit Board determines that public bidding would be disadvantageous; and

WHEREAS, Staff recommends award of a contract under Requisition No. B18OP00554 to Cummins Inc. to perform non-warranty engine repair work for a term up to thirty-six (36) months in the not-to-exceed amount of Two Hundred Seventy-Five Thousand Dollars (\$275,000.00); now, therefore:

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

SECTION 1. Based on the statements set forth in the recitals of this ordinance, the Chicago Transit Board hereby determines that it would be disadvantageous to seek competitive bidding for the goods or services being procured.

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SECTION 2. The Chairman of the Board, or his designee, is hereby authorized to execute a contract with Cummins Inc. to perform non-warranty engine repair work for a term up to thirty-six (36) months in the not-to-exceed amount of Two Hundred Seventy-Five Thousand Dollars (\$275,000.00).

SECTION 3. The Chairman, or his designee, is further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

SECTION 4. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

April 10, 2019

Assistant Secretary

April 10, 2019