

ORDINANCE NO. 023-10

AN ORDINANCE AUTHORIZING AN
AGREEMENT WITH THE UNITED
PARCEL SERVICE, INC. FOR THE
OPERATION OF BUS ROUTE #169
69th/UPS EXPRESS

WHEREAS, The Chicago Transit Authority ("Authority") and United Parcel Service, Inc. ("UPS"), an Ohio Corporation, have contracted since March 2000 for subsidized bus service on route #169 69th/UPS Express, between the Authority's 69th Red Line station and the UPS Facility located in Hodgkins, Illinois; and

WHEREAS, In November 2017, the parties most recently renewed the agreement for an additional five years, per Ordinance No. 017-111, and the agreement expired December 31, 2022; and

WHEREAS, The service, which is open to the public, is well utilized and the parties want it to continue; and

WHEREAS, Public-private partnerships help the Authority in meeting the region's transportation needs; and

WHEREAS, The Authority and UPS wish to enter into a new five (5) year agreement to operate route #169; and

WHEREAS, UPS will reimburse the Authority \$135.50 per vehicle hour, minus fares collected, with three percent (3%) annual escalations and pay the Authority fuel surcharges if the average cost of gasoline exceeds \$4.00 per gallon during a quarter; and

WHEREAS, The agreement permits either party to terminate the agreement upon 120 days' notice; now, therefore:

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

SECTION 1. The Chairman of the Chicago Transit Board, or his designee, is hereby authorized to enter into an agreement with UPS for operation of bus route #169 69th/UPS Express.

SECTION 2. The agreement has a five (5) year term commencing on February 8, 2023, requires UPS to reimburse the Authority for services rendered at \$135.50 per vehicle hour with three percent (3%) annual escalations, permits either party to terminate upon 120 days' notice, and contains such other terms as are substantially in conformance with the Agreement Between Chicago Transit Authority and the United Parcel Service, Inc. attached as Exhibit A hereto.

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SECTION 3. These changes shall be implemented when an executed agreement between the Authority and the United Parcel Service, Inc. is attained and when the necessary operating arrangements have been completed.

SECTION 4. 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 5. This ordinance shall be in full force and effect from and after its passage.

APPROVED:

PASSED:

Chairman

Assistant Secretary

February 8, 2023

February 8, 2023