

ORDINANCE NO. 023-80

AN ORDINANCE AUTHORIZING
A CHANGE ORDER TO A
CONTRACT WITH NOVA BUS
(US) INC. FOR TRANSIT BUSES

WHEREAS, The Chicago Transit Authority ("Authority") requires a contractor to manufacture and deliver low-floor, forty-foot, ADA-accessible, air-conditioned, diesel-engine transit buses as the Authority transitions to an all-electric fleet, to replace buses that have reached their useful life benchmark; and

WHEREAS, The Authority entered into a contract with Nova Bus, a division of Prevost Car (US) Inc., which has since merged with Nova Bus (US) Inc. ("Nova Bus"), under Requisition No. C20FT102342998 to provide 100 buses with five funded options for up to 500 additional buses, and the contract contains an escalation provision linked to the Producer Price Index (PPI); and

WHEREAS, The continued purchase of new diesel buses is in line with the Authority's plan to fully electrify the bus fleet by 2040 as outlined in the Charging Forward Study, and the new buses will result in a significant reduction of emissions compared to the older buses that are being replaced; and

WHEREAS, The Authority exercised Option Nos. 1 and 2 for the purchase of up to 100 additional buses per option, and the Board authorized funding for the contractual escalation provision for the options and for the purchase of additional spare parts via Change Order Nos. 1 and 3, per Ordinance Nos. 022-31 and 022-109; and

WHEREAS, Change Order No. 2 revised the insurance and bond requirements but did not add any funding; and

WHEREAS, Staff recommends that the Authority exercise Option Nos. 3-5 for the purchase of up to 300 additional buses and additional spare parts; and

WHEREAS, The Authority requires additional funding to cover the cost of additional spare parts and related to Options 3-5 due to the contractual escalation provision and wishes to revise language in the contract regarding Option 5 related to the timing of the manufacture of the buses and the escalation provision; and

WHEREAS, Change orders to contracts originally valued in excess of \$1,000,000.00 that individually or cumulatively increase the original contract value by more than 10% or by more than \$500,000.00 require approval by the Transit Board; and

WHEREAS, Staff recommends approval of Change Order No. 4 to the contract with Nova Bus for diesel-engine transit buses to add funds in the amount of \$47,685,304.83 and modify contract language regarding Option 5; now, therefore:

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

SECTION 1. The Chairman of the Chicago Transit Board, the President of the Chicago Transit Authority, and the Vice President of Purchasing and Supply Chain, or their designees, are hereby authorized to execute Change Order No. 4 to the Authority's contract with Nova Bus (US) Inc. for diesel-engine transit buses to add funds in the amount of Forty-Seven Million Six Hundred Eighty-Five Thousand Three Hundred Four Dollars and Eighty-Three Cents (\$47,685,304.83), for a revised contract total of Three Hundred Ninety-Three Million Nine Hundred Two Thousand Four Hundred Six Dollars and Forty-Two Cents (393,902,406.42).

SECTION 2. The Chairman, President, and Vice President of Purchasing and Supply Chain, or their designees, are further authorized to take such actions and execute such documents as may be necessary to implement the objectives of this ordinance.

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

APPROVED:

PASSED:

Chairman

July 12, 2023

Secretary

July 12, 2023