

S. S. R. B.

CITY OF CHICAGO
DEPARTMENT OF PROCUREMENT SERVICES
ROOM 403, CITY HALL, 121 N. LASALLE STREET

DATE JNCP Form Rev 12/13/07

APPROVED 4-0

CONDITIONALLY APPROVED

RETURN TO DEPT. _____

DISAPPROVED _____

JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

COMPLETE THIS SECTION IF NEW CONTRACT

For contract(s) in this request, answer applicable questions in each of the four (4) major subject areas below in accordance with the Instructions for Preparation of Non-Competitive Procurement Form on the reverse side.

Request that negotiations be conducted only with Pay-Ease, LLC for the product and/or services described herein. This is a request for
(Name of Person or Firm)

(One-Time Contractor Requisition #: <<Req No>>, copy attached) or Term Agreement or Delegate Agency (Check one).

If Delegate Agency, this request is for "blanket approval" for all contracts within the _____ (Attach List).
(Program Name)

Pre-Assigned Specification No.: _____

Pre-Assigned Contract No.: _____

COMPLETE THIS SECTION IF AMENDMENT OR MODIFICATION TO CONTRACT

Describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change, as applicable. Attach copy of all supporting documents. Request approval for a contract amendment or modification to the following:

Contract #: 13777

Company or Agency Name: _____

Specification #: 39429

Contract or Program Description: _____
(Attach List, if multiple)

Modification #: _____

Steven Sakai

7-3753



Revenue

04/06/2009

Originator Name

Telephone

Signature

Department

Date (mm/dd/yr)

Indicate **SEE ATTACHED** in each box below if additional space needed:

<input checked="" type="checkbox"/> PROCUREMENT HISTORY Please see attached Non-Competitive Procurement - "Procurement History" section.
<input checked="" type="checkbox"/> ESTIMATED COST <u>\$415,000 / yr</u>
<input checked="" type="checkbox"/> SCHEDULE REQUIREMENTS <u>2009 Budgeted estimate</u>
<input checked="" type="checkbox"/> EXCLUSIVE OR UNIQUE CAPABILITY Please see attached
<input checked="" type="checkbox"/> OTHER <u>MBE/WBE compliance requirements - as attached</u>

APPROVED BY: Matt Duast
DEPARTMENT HEAD OR DESIGNEE

4-7-09
DATE

[Signature]
BOARD CHAIRPERSON

04/07/09
DATE

Montel M. Gayles
Montel M. Gayles
Chief Procurement Officer

4/23/09
Date

INSTRUCTIONS FOR PREPARATION OF NON-COMPETITIVE PROCUREMENT FORM (Rev. 8/14)

If a City Department has determined that the purchase of supplies, equipment, work and/or services can not be done on a competitive basis, a sole source justification must be prepared on this "Justification for Non-Competitive Procurement Form" in which procurement is requested on a non-bid or non-competitive basis in accordance with 65 ILCS 5/8-10-4 of the Illinois Compiled Statutes. All applicable questions in each Subject Area below must be answered. The information provided must be complete and in sufficient detail to allow for a decision to be made by the Non-Competitive Procurement Review Board. Also attached a complete CPAC Project Checklist, and any other required forms (see **Other #1**, below). The Board will not consider justification with incomplete information documentation.

PROCUREMENT HISTORY (INCLUDING FUTURE PROCUREMENT OBJECTIVES)

1. Describe the requirement and how it evolved from initial planning to its present status.
2. Is this a first time requirement or a continuation of previous procurement from the same source? If so, explain the procurement history.
3. Explain attempts made to competitively bid the requirement. (Attach copy of notices and list of sources contacted)
4. Describe all research done to find other sources. (List other cities contacted, companies in the industry contacted, professional organizations, periodicals and other publications used).
5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?
6. Explain whether or not future competitive bidding is possible. If not, why not?

ESTIMATED COST

1. What is the estimated cost for this requirement (or for each contract, if multiple awards contemplated)? What is the funding source?
2. What is the estimated cost by fiscal year, if the job project or program covers multiple years?
3. Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e., budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.)
4. Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered. Describe cost savings or other measurable benefits to the City which may be achieved.
5. Explain what negotiation of price has occurred or will occur. Detail why the estimated cost is deemed reasonable.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.
2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? If so, why is the proposed Contractor the only person or firm able to perform under these circumstances? Why are the drawings and specifications lacking? What is the lead time required to get drawings and specifications suitable for competition? If lack of drawings and specifications is not a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule.
3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.
4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.

EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, other factors make this person or firm exclusively or uniquely qualified for the project. Attach copy of cost proposal and scope of services.
2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
3. What prior experience of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?
4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?
5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?
6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models, etc. possess. Is compatibility with existing equipment critical from an operational standpoint? Explain why?
7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data? Attach documentation verifying such.
8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources? If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attach letter from manufacturer.

MBE/WBE COMPLIANCE PLAN

1. All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a complete C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site.

OTHER

1. Explain other related considerations and attach all applicable supporting documents (an approved information Technology Strategy Committee (ITSC) form, an approved Request for Individual Contract Services form, etc.)

REVIEW AND APPROVAL

This form must be signed by both Originator of the request and approved by the Department Head or authorized designee. After review and final disposition from the Board, this form will be stamped to indicate the final disposition and signed by the Chairperson of the Board of authorized designee. This form must be signed by both the Originator of the request and approved by the Department Head or authorized designee. After review and final disposition from the Board, this form will be stamped to indicate the final disposition and signed by the Chairperson of the Board of authorized designee.



City of Chicago
Richard M. Daley, Mayor

Department of Revenue

Bea Reyna-Hickey
Director

City Hall, Room 107A
121 North LaSalle Street
Chicago, Illinois 60602-1288
(312) 747-4747 (IRIS)
(312) 744-0471 (FAX)
(312) 744-2975 (TTY)

<http://www.cityofchicago.org>

April 2, 2009

Mr. Montel M. Gayles
Chief Procurement Officer
Department of Procurement Services
121 North LaSalle Street – Suite 403
Chicago, Illinois 60602-1284

SUBJECT: Sole Source Request to Amend Scope: Add MPEA Stamp Dispensing
CONTRACT TITLE: Automated Collection Services
CONTRACT DESCRIPTION: Pay Bills Via Kiosk Machine
PO #: 13777
VENDOR: *Pay-Ease, LLC*
ESTIMATED VENDOR LIMIT INCREASE: \$415,000 per year
CONTRACT START DATE: January 1, 2007
ORIGINAL CONTRACT END DATE: December 31, 2011
CURRENT CONTRACT END DATE: December 31, 2011
ORIGINAL EXTENSION OPTIONS AVAILABLE: Two 1-year options

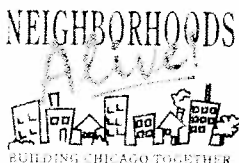
Dear Mr. Gayles:

This request is to amend the current contract's scope of services (dispensing of printed material), decrease the unit price for check processing, update the original MBE/WBE plan, and increase the PO vendor limit. The scope amendment is requested in an effort to leverage the kiosk machine's ability to dispense printed materials (in this case MPEA Tax Stamps), while allowing the City to realize the benefit of saving approximately \$78,000 per year.

Whereas the purchasing of MPEA Tax Stamps would normally take place face-to-face between a cashier and a ground-transportation driver at O'Hare Airport or Midway Airport, the kiosks contemplated here would take the place of the cashing personnel, yet continue to provide 24 hours a day 7 days per week 365 days a year availability to purchase MPEA Tax Stamps. In a cost saving initiative the department would discontinue these vendor provided cashing services and substitute kiosks to sell and dispense MPEA Tax Stamps.

In December 2004, the Sole Source Review Board approved the Department of Revenue's request to enter into the above referenced contract. It wasn't until around September 2007, however, that the first kiosk finally got installed – primarily due to IT-related installation issues and payment processing flows that needed to be addressed in the Agreement. (Up until then, there had never been a kiosk-type agreement with the City of Chicago so the issues were new to all parties involved.)

Currently, the scope of this contract is to enable patrons to process payments (pay a City bill, e.g. water, parking, etc.) at any one of the 17 walk-up kiosk stations located throughout the



City of Chicago, 24 hours a day 7 days per week 365 days a year. The vendor is paid by the City on a per-transaction basis of \$0.78 per transaction (for cash credit card, and debit card payments) and \$0.90 per transaction for personal check payments. This Amendment seeks to also decrease the \$0.90 per check transaction fee to \$0.78 per transaction fee. (There are no supplemental steady-state fees or monthly maintenance fees, etc., paid to the vendor and no "convenience fee" of sorts is imposed upon the patron.) MPEA Tax Stamps will be inventoried, sold and dispensed by the vendor with the City only incurring the transaction fee as defined in the contract.

The original MBE/WBE compliance plan was not fully realized because of unrealized transaction volumes during the start-up phase. However as the kiosk program continues to grow the MBE/WBE program will be supported by Pay-Ease throughout the term of the contract. Initially Pay-Ease will provide 24% WBE direct compliance and request MBE waiver. Pay-Ease is committed to full 16.9% MBE and 4.5% WBE goal commitments for subsequent years. The Department of Revenue concurs with this approach.

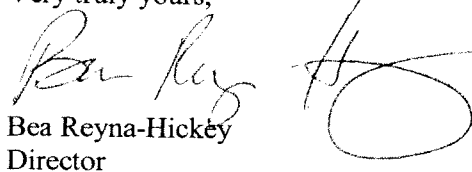
Approving this Amendment will enable the City to achieve the minimum number of transactions through MPEA Stamp sales securing the stability of a kiosk program that collected over \$11,250,000 in 2008 and \$3,000,000 in 2009.

Accordingly, the Department of Revenue recommends that the MPEA Tax Stamp process be amended into the existing contract and the vendor limit be increased .

Attached is a Department of Procurement Services Project Checklist, Non-Competitive Procurement Justification form, a brief scope of work describing the MPEA Stamp process, as well as the vendor's revised MBE/WBE compliance plan to support this request.

Please feel free to call me personally at 4-0512 concerning this particular Sole Source justification request. Please contact Steven Sakai, Contracts Coordinator, at 7-3753 for any contract processing matters.

Very truly yours,


Bea Reyna-Hickey
Director

Attachments

BRH:sys

cc: John O'Brien, Department of Procurement Services
Matt Darst, Department of Revenue
Phil Cobb, Department of Revenue
Richard Ponce, Department of Revenue
Cynthia Park, Department of Revenue
Rachelle Hendele, Department of Revenue
Mark Galvan, Department of Revenue
Steve Sakai, Department of Revenue

DPS PROJECT CHECKLIST

For DPS Use Only

Date Received _____
 Date Returned _____
 Date Accepted _____
 CA/CN's Name _____

IMPORTANT: PLEASE READ AND FOLLOW THE INSTRUCTIONS FOR COMPLETING THE PROJECT CHECKLIST AND CONTACT THE APPROPRIATE UNIT MANAGER IF YOU HAVE ANY FURTHER QUESTIONS. ALL INFORMATION SHOULD BE COMPLETED, ATTACH ALL REQUIRED MATERIALS AND SUBMIT FOR HANDLING TO THE DEPARTMENT OF PROCUREMENT SERVICES, ROOM 403, CITY HALL, 121 N. LASALLE STREET, CHICAGO, ILLINOIS 60602.

GENERAL INFORMATION:

Date: April 1, 2009
 REQ No.: tbd
 Specification No.: (if known): 39429
 PO No.: (if known): 13777
 Modification No.: (if known):
 Project Description: Automated Collection Services (Pay-Ease, LLC - MPEA Tax Stamp Amendment)

Contact Person: Steven Sakai
 Tel: 7-3753 Fax: 7-7420 E-mail: steve.sakai@cityofchicago.org
 Project Manager: Richard Ponce
 Tel: 4-8139 Fax: 4-047 E-mail: DR00052@cityofchicago.org
 Previous PO No.: (if known):

FUNDING:

City: Corporate Bond Enterprise Grant* Other
 State: IDOT/Transit IDOT/Highway Grant* Other
 Federal: FHWA FTA FAA Grant* Other

LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	OBJT	PROJECT	RPTG	\$ DOLLAR AMOUNT
	009	0100	029	4641	0140	220140				970000

Estimated Value \$352,000 per year

*IF GRANT FUNDED, A COPY OF THE APPROVED GRANT AND APPLICATION ARE REQUIRED and any other Terms and Conditions that may apply.

SCOPE STATEMENT:

Attached is a Detailed Scope of Services and/or Specification

IMPORTANT: THIS IS A CRITICAL PORTION OF YOUR SUBMITTAL. IN ORDER FOR DPS TO ACCEPT YOUR SUBMITTAL YOU MUST COMPLETE THE SPECIFIC SCOPE REQUIREMENTS AS SET FORTH IN THE SUPPLEMENTAL CHECKLIST FOR THAT UNIT.

The following is a general description of what should be included in a Scope of Services or Specification:

A clear description of all anticipated services and products, including: time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

TYPE OF PROCUREMENT REQUESTED (check all that apply):

NEW REQUEST

- Blanket Agreement
- Standard Agreement
- Small Orders

MOD/AMENDMENT

- Time Extension
- Vendor Limit Increase
- Scope Change/Price Increase/Additional Line Item(s)
- Other (specify):

FORMS: Requisition Special Approvals Non-Competitive Review Board (NCRB)

CONTRACT TERM: 5 + 2 Requested Term (number of months):

PRE BID/SUBMITTAL REQUIREMENTS:

Requesting Pre Bid/Submittal Conference? Yes No Requesting Site Visit? Yes No

DPS PROJECT CHECKLIST

ARCHITECTURAL/ENGINEERING SUPPLEMENTAL CHECKLIST

Required Attachments: Scope of Services, including location, description of project, services required, deliverables, and other information as required

Risk Management

Will services be performed within 50 feet of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

If applicable, Pre-Qualification Category No. Category Description:

For Pre-Qualification Program, attach list of suggested firms to be solicited

Other Agency Concurrence Required: None State Federal Other (fill in)

AVIATION CONSTRUCTION SUPPLEMENTAL CHECKLIST

DOA sign-off for final design documents: Yes No

Required Attachments:

Copy of Draft Contract Documents and Detailed Specifications.

Risk Management:

Current Insurance Requirements prepared/approved by Risk Management: Yes No

Will work be performed within 50 feet of CTA or ATS structure or property? Yes No

Will work be performed airside? Yes No

***NOTE:** Any non-construction Aviation request, complete the applicable section.

COMMODITIES SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Specifications (Scope of Services) including detailed description of the product, delivery location, user department contact, price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

If Modification request, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

CONSTRUCTION SUPPLEMENTAL CHECKLIST

Required attachments:

Copy of Draft (80% Completion), Contract Documents and Detailed Specifications

Risk Management

Will services be performed within 50 feet of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

DPS PROJECT CHECKLIST

VEHICLES/HEAVY EQUIPMENT SUPPLEMENTAL CHECKLIST

Required Attachments:

- Detailed Specifications including detailed description of the vehicle(s) or equipment, mounted equipment, if any, and options/accessories.
- Special Provisions (Delivery, Warranty, Manuals, Training, Additional Unit Purchase Options, Bid Submittal Information, etc.)
- Delivery Location(s)
- Technical Literature
- Drawings, if any
- Part Number List (Manufacturer; or Dealer; or Other Source:)
- Current Price List(s)/Catalog(s)
- Special Approval Form
- Exhibits and Attachments

If **Modification request**, please verify and provide the following:

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

PROFESSIONAL SERVICES SUPPLEMENTAL CHECKLIST

- Detailed description of project listing obligations of each party.
- The Schedule of Compensation
- Deliverables
- Request for individual contract services (if applicable)
- The appropriate EPS form
- ITSC (approved by BIS)
- OBM (approved by Budget for m/memo)
- Grant document attached

Attach any documentation indicating any previous purchase activity to assist in the procurement process

TELECOMMUNICATIONS AND UTILITIES SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Scope of Services/Specification which sets forth all of the anticipated services and products the user department wants provided, including time frame for completion, special qualifications of prospective vendors, special requirements or needs of the project, locations, anticipated participating user departments, citation of any applicable City ordinance or state/federal regulation or statute.

Has the project been reviewed by BIS? Yes No

Attach copy of BIS Recommendation; Reservation(s); or participate under current contract.

Does the project include software? Yes No

If yes, is signed ITSC form attached? Yes No

Does the location involve:

A public way? Yes No

Any concession in the City's facilities? Yes No

Is it anticipated City Council approval of the project or contract will be required? Yes No

DPS PROJECT CHECKLIST

WORK SERVICES/FACILITY MAINTENANCE SUPPLEMENTAL CHECKLIST

Required Attachments: Detailed Specifications (Scope of Services) including detailed description of the work, locations (with supporting detail), user department contacts, work hours/days, laborer/supervisor mix, compensation and price escalation considerations, Bidder's qualification, contract term and extension options, Contractor's qualifications, citation of any applicable City/State/Federal statutes or regulations, citation of any applicable technical standards and Price Lists/Catalogs, technical drawings and other exhibits and attachments as appropriate.

Risk Management:

Will services be performed within 50 feet (50') of CTA train or other railroad property? Yes No

Will services be performed on or near a waterway? Yes No

Will services require the handling of hazardous/bio-waste material? Yes No

Will services require the blocking of streets or sidewalks which may affect public safety? Yes No

If Modification or Amendment request, please verify and provide the following:

Contractor's Name: Pay-Ease, LLC
Contractor's Address: 101 W. Grand Ave. - Suite 400
Chicago IL 60610
Contractor's e-mail Address: dscaros@pay-ease.com
Contractor's Phone Number: 312-291-4800
Contractor's Contact Person: Dean Scaros, President

INSTRUCTIONS FOR PREPARATION OF NON-COMPETITIVE PROCUREMENT (Rev. 5/04)

If a City Department has determined that the purchase of supplies, equipment, work and/or services can not be done on a competitive basis, a sole source justification must be prepared on this "Justification for Non-Competitive Procurement Form" in which procurement is requested on a non-bid or non-competitive basis in accordance with 65 ILCS 5/8-10-4 of the Illinois Compiled Statutes. All applicable questions in each Subject Area below must be answered. The information provided must be complete and in sufficient detail to allow for a decision to be made by the Non-Competitive Procurement Review Board. Also attach a complete CPAC Project Checklist, and any other required forms (see Other #1, below). The Board will not consider justifications with incomplete information documentation.

PROCUREMENT HISTORY

1. Describe the requirement and how it evolved from initial planning to its present status.

The current sole-source-approved contract with Pay-Ease, Inc. (PO# 13777) was awarded in January 1, 2007. This contract provides for the vendor to furnish and install, operate and maintain pay-kiosk machines (all at no separate cost to the City) at strategic locations throughout the City of Chicago. These kiosks function as a convenient place to make a payment for a variety of payments due to the City, for outlying and local community patrons. The City then pays a per transaction cost to the vendor for each transaction processed depending on pay type: cash, credit/debit, check.

The Department of Revenue currently has vendor cashiers located at two payment sites: one at O'Hare Airport and one at Midway Airport. Cashiers at these locations process payment transactions for the sale of *Metropolitan Pier and Exposition Authority (MPEA) Airport Departure Tax (ADT) Stamps*. MPEA ADT Stamps are sold 24 hours a day 7 days per week 365 days a year to vehicle operators providing ground transportation from O'Hare and Midway Airports.

As a cost savings measure, the Department of Revenue would like to close these two payment sites and in lieu of the cashiers, use kiosks to dispense the MPEA ADT Stamps. Pay-Ease has agreed to manage, dispense, and cashier the sell of the MPEA ADT Stamps for the same cashiering transaction cost in the current contract.

By processing MPEA payment transactions through kiosk machines at O'Hare and Midway Airports, rather than through the vendor cashier personnel at O'Hare and Midway Airports, the City of Chicago expects to realize an immediate cost savings of about \$78,000 per year.

Additionally, the City is taking over responsibility for check verification and processing services through the implementation of another vendor, ACH Direct. As part of this transition Pay-Ease has agreed to reduce their individual check transaction fee from \$0.90 to \$0.78.

2. Is this a first time requirement or a continuation of previous procurement from the same source? If so, explain the procurement history.

This is a first-time requirement for the kiosks to be leveraged to function as an MPEA Tax Stamp dispensing tool from Pay-Ease's current contract.

3. Explain attempts made to competitively bid the requirement. (Attach copy of notices and list of sources contacted.)

A competitive bid specification was not considered since the Pay-Ease contract for kiosk implementation is currently in place and is active.

4. Describe any research done to find other sources. (List other cites contacted, companies in the industry contacted, professional organizations, periodicals, and other publications used.)

Other kiosk products are available in the marketplace today, so other kiosks could probably be used to perform the same functions required by the City, however since a current kiosk contract already exists, a new source is not contemplated. Additionally the sell of the MPEA ADT Stamps via the kiosk will be achieved at no additional development or equipment cost to the City.

5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?

No plans to use kiosks for the dispensing of commodities other than MPEA Stamps is a consideration at this time. At one point, the dispensing of the City Clerk's Office vehicle stickers had been discussed, but other technologies are currently being pursued. Future plans could involve using the kiosks as a dispensing/payment transaction mechanism for other City related business, but none are currently being contemplated.

6. Explain whether or not future competitive bidding is possible. If not, why not?

Competitive bidding in the future is possible (upon the termination of the current contract with Pay-Ease), and will most likely be the process required at the time when a new kiosk-related contract is needed.

ESTIMATED COST

1a. What is the estimated cost for this requirement (or for each contract, if multiple awards contemplated)?

The estimated cost to have kiosks process MPEA Stamp payment transactions at O'Hare and Midway Airports is approximately: \$352,000 per year, as costs paid to the Vendor by the City. (This figure is based on MPEA ADT Stamp sales history realized at O'Hare and Midway Airports, of approximately 452,000 transactions per year, multiplied by the current contract price of \$0.78 per-transaction.)

1b. What is the funding source?

09-100-29-4641-0140-0140

2. What is the estimated cost by fiscal year, if the job, project, or program covers multiple years?

The estimated cost, including current (other) kiosk-transactions as well as the MPEA ADT Stamp transactions, totals: \$415,000 per year. (Current contract expiration date is December 31, 2011, with two 1-year extension options.)

3. Explain the basis for estimating the cost and what assumptions were made and/or data used (e.g. budgeted amount, previous contract price, current catalog, or cost proposal from firms solicited, engineering or in-house estimate, etc.).

Cost estimates were based on actual historic usage figures (i.e. MPEA ADT Stamp sales at O'Hare and Midway Airports and current kiosk transaction costs.)

4a. Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling, or other factors which would be duplicated at City expense if another source was considered.

The implementation of the kiosk operations was a new venture, and required a substantial amount of vendor time and human resources in order to develop the kiosk logic, design the customer interaction screens, and develop the transaction interface and ultimately go-live. None of this development work nor equipment purchases were done at the expense of the City.

Installation coordination (with DGS), interface and testing of the kiosk links into the City's existing cashiering system at the time and the coordination of processes involving the City's ACH check processing vendor, etc., required a substantial investment of time and effort. It is not advised to seek another source to reproduce the existing solution at this time.

4b. Describe cost savings or other measurable benefits to the City which may be achieved.

The City of Chicago expects to realize an immediate cost savings of about \$78,000 per year. To the extent the regular hourly-rate costs associated with the cashiering station vendor personnel at the O'Hare and Midway Airports will no longer be incurred by the City, those costs and any personal liability risks should be considered as cost-savings to the City.

5a. Explain what negotiations of price has occurred or will occur.

As mentioned earlier, the City is taking over responsibility for check verification and processing services through the implementation of another vendor, ACH Direct. As part of this transition Pay-Ease has agreed to reduce their individual check transaction fee from \$0.90 to \$0.78.

5b. Detail why the estimated cost is deemed reasonable.

The estimated cost is based on the original contract unit price of \$0.78 per cash, credit and debit transaction, and the reduced cost of \$0.78 for check transactions.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.

The Department of Revenue's 2009 budget proposal included a cost savings based on plans to close the O'Hare Airport and Midway Airport cashiering stations and thereby reduce vendor staffing levels at these locations. Consideration to replace the selling of MPEA Stamp functions through existing kiosk functionality is the basis of this non-competitive procurement request.

2a. Is lack of drawings and/or specifications a constraining factor to competitive bidding?

Not applicable.

2b. If so, why is the proposed Contractor the only person or firm able to perform under these circumstances?
Drawings and/or specifications are not an issue.

2c. Why are the drawings and specifications lacking?
Drawings and/or specifications are not an issue.

2d. What is the lead-time required to get drawings and specifications suitable for competition?
Drawings and/or specifications are not an issue.

2e. If lack of drawings and specifications is NOT a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule.
The current kiosk vendor has the existing contract to perform the kiosk-related operations as proposed in this request. If there was no existing kiosk contract, then this requirement would, most likely, need to be competitively bid.

3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.

A schedule can be developed after approval of this non-competitive procurement process, and upon the signing and approval of a contract amendment. The kiosks will then need to be installed, tested, commissioned, and notification and training of the MPEA Stamp purchasers would need to be performed; all before the closing of the cashiering stations at O'Hare Airport and Midway Airport and discontinuing of vendor provided cashiering services can be scheduled.

4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs, and budgeted funds.

As described above, an existing payment kiosk contract exists, so competitive bidding would not be considered at this time. Any delays would result in a prorated reduction of the anticipated \$78,000 savings.

EXCLUSIVE OR UNIQUE CAPABILITY

1a. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, or other factors make this person or firm exclusively or uniquely qualified for the project.

Not applicable.

1b. Attach copy of cost proposal and scope of services.

The check transaction fee reduction from \$0.90 to \$0.78 should be provided in the Amendment as a revised Exhibit M, Fee Schedule of the original contract. Scope of services concerning the MPEA ADT Stamp operation is described in Exhibit 1A to this non-competitive procurement submittal.

2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
No.

3. What prior experience of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project, or program?

JAVA script writing requirements are required for this particular kiosk application, however, this technical specialty is not exclusive to any particular person and is available in a competitive marketplace.

4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?

The technical exclusivity of skills and equipment is not limited to this Vendor only.

5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project, or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?

This Vendor, alone, was the first to have a contract with the City, whereby kiosks could provide payments to the City of Chicago. Working through the design and implementation and deployment of kiosks and the interface into the City's cashiering systems have already been done. This Vendor, therefore, is currently the only available source to provide the necessary kiosks and processing of MPEA Stamp transactions immediately and without unreasonable cost to the City and within a reasonable amount of time.

- 6a. **If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features, and/or functions the items have which no other brands or models, etc., possess.**
Not applicable.
- 6b. **Is compatibility with existing equipment critical from an operational standpoint? Explain why.**
Compatibility with the City's existing payment network is essential. The interface of all kiosk stations to the Department of Revenue's cashing system is a critical requirement as are the links to the City's ACH check processor and designated depositories.
7. **Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data? Attach documentation verifying such.**
Competition is precluded at this time because an existing contract is already in place.
- 8a. **If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources.**
Although maintenance and parts are provided by the Vendor under the terms of the contract, no separate costs for parts or maintenance are a part of the current contract. All costs are included in the per-transaction cost.
- 8b. **If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center?**
Not applicable.
- 8c. **If so, attach letter from manufacturer.**
Not applicable.

MBE/WBE COMPLIANCE PLAN

1. **All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a complete C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site.**

Vendor's initial MBE/WBE plans have not been achieved, to date. They have written a letter to try and explain why they did not meet their original goals. (See attached.) Their original compliance plans were approved by recognizing that the Vendor would make a one-time procurement from various MBEs and WBEs, sometime during the first two years of the contract period; and was therein granted a waiver from the remaining term of the contract – provided that the Vendor would continue to seek further compliance throughout the remaining contract period. At this juncture, the Vendor is seeking to meet full compliance by including new MBE and WBE subcontractors. Although the Vendor did not fulfill the original MBE/WBE goals as intended, they are committing to performing full compliance, throughout the remaining term of the contract, as indicated by the attached Schedule C-1 and D-1 forms.

OTHER

1. **Explain other related considerations and attach all applicable supporting documents (an approved Information Technology Strategy Committee (ITSC) form, an approved Request for Individual Contract Services form, etc.).**

No change in the kiosk payment processing transactions is indicated, other than the dispensing of MPEA Stamps.

REVIEW AND APPROVAL

This form must be signed by both the Originator of the request and approved by the Department Head or authorized designee. After review and final disposition from the Board, this form will be stamped to indicate the final disposition and signed by the Chairperson of the Board of authorized designee.

**DEPARTMENT OF REVENUE
PAY-EASE AMENDMENT
EXHIBIT 1A**

Overview

The City of Chicago (the "City") approved the Contractor to provide automated payments of various debts owed to the City, through public use of the Contractor's hardware and software installed in its interactive Kiosks. The scope of this contract will include the dispensing of printed materials, such as tax stamps and other potential types of stickers or printed materials.

Scope of Services

In addition to all other services included in the original scope the Contractor will provide and maintain kiosks and related hardware and software needed to sell and dispense single sheets of MPEA ADT Stamps.

The City is responsible for costs to obtain all tax stamps, and for their delivery to the Contractor's facility.

The Contractor is responsible for all aspects of managing, handling and safeguarding the MPEA ADT Stamps to be sold from the kiosks. Contractor is responsible for all stamps delivered to their facility and is responsible for delivery and re-stock of tax stamps in the kiosks.

The Contractor shall maintain a tax stamp inventory system and provide access to that system to City personnel. City personnel will have the right to audit and inventory the tax stamps at any point in time. Contractor will reimburse the City for any loss of stamps, at the stamp's face value at the time of the loss. Contractor will provide additional insurance as determined by City risk management personnel.

Contractor will install a minimum of three MPEA Tax Stamp dispensing kiosks at O'Hare Airport and two at Midway Airport. Kiosks are to sell and dispense tax stamps 24 hours a day, seven days a week, 365 days a year. A single tax stamp sale will consist of a minimum of a single sheet of tax stamps, currently configured with ten stamps per sheet.

Service levels will be defined to ensure that an appropriate capacity of tax stamps dispensing kiosks are operational at all times.

Contractor and City agree that the 1,300 minimum transactions required for each kiosk in operation will be calculated and measured in aggregate for all kiosks in the program and not at the individual kiosk level.

Contractor will interface with the City's electronic check processor to obtain check verification and electronic check processing services. The City will be

**DEPARTMENT OF REVENUE
PAY-EASE AMENDMENT
EXHIBIT 1A**

responsible for transaction costs from their check processor. As a result, the Contractor agrees to reduce the electronic check processing charge to the City from \$0.90 to \$0.78 per transaction.

Fee Schedule

Each tax stamp transaction will be provided at the same transaction cost as all other payments.

Montel M Gayles, Chief Procurement Officer
Department of Procurement Services
City of Chicago
City Hall Room 403
121 North LaSalle Street
Chicago, IL 60602



WWW.PAY-EASE.COM

Making Payment Convenient

RE: MBE/WBE Commitment Goals

Dear Mr. Gayles:

It is Pay-Ease full attention to honor the MBE/WBE requirements and expand the MBE program as the Pay-Ease project expands with the City of Chicago. Pay-Ease is currently in its 3rd year doing business with the City. Operations started in October of 2007. Contract requirements specified Pay-Ease to maintain all infrastructure, maintenance and armor service for a transactional fee. The Contract specified placing 25 kiosks within City of Chicago property and maintains a minimum number of 1300 transactions per month per kiosk.

Pay-Ease in addition to addressing the current MBE requirements was interested on contracting a MBE/WBE monthly recurring vendor, sighting Armor Services as a best opportunity to achieve this. In August 2007 Pay-Ease hired a woman owned armor service company (ACS) whose intentions was to file that month with the City of Chicago. Pay-Ease also hired a specialty moving company (Hispanic owned) who is member of Chicago minority business association. This is my error I did not know it wasn't related.

Direct WBE participation commitments would have been over 60 % if the proper paper work had been completed timely. While this is not an excuse we made full attempts to work with MBE/WBE within our field of expertise that could service our contract on a continual monthly basis instead of one time use.

Pay-Ease current goals are to obtain 23.9% direct participation of WBE services and request of waiver 16.9% MBE participation for this year. For future years Pay-Ease fully anticipates in compilation 16.9% MBE 4.5% WBE as indirect participation. However if Pay-Ease is able to qualify a direct costs Pay-Ease will substitute those indirect cost to direct costs.

As stated on the original letter to the Department Procurement Services, based on the nature of the contract, which is to supply the kiosks, maintain the kiosks and process the transactions that customers input into the kiosk, it leaves very little opportunity for outside vendors or suppliers to provide any meaningful services. Pay-Ease apologizes in not timely addressing the MBE requirements and we will address these requirements. We are vigorously actively researching additional sources which call for highly specialized



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Making Payment Convenient

products and services which can only be provided by Pay-Ease itself. For example we are looking for a Linux trained Java programmer, a specialty position that is difficult to place and which will take 6 months of in-house training to be productive to Pay-Ease. We are actively researching that position and would be willing to hire that position through a MBE/WBE if Pay-Ease can expand its operations with the City of Chicago.

Sincerely,

A handwritten signature in cursive script that reads "Dean Scaros".

Dean Scaros
President

SCHEDULE C-1

Letter of Intent from MBE/WBE to Perform
as Subcontractor, Supplier and/or Consultant

Name of Project/Contract: MPEA Kiosk
Specification Number: 21325

From: CITYTECH, Inc.
(Name of MBE/WBE Firm)

MBE: Yes ___; No X
WBE: Yes X; No ___

To: Pay-EASE and the City of Chicago:
(Name of Prime Contractor - Bidder/Proposer)

The undersigned intends to perform work in connection with the above projects as a:

Sole Proprietor Corporation
 Partnership Joint Venture

The MBE/WBE status of the undersigned is confirmed by the attached letter of Certification from the City of Chicago effective date of _____ to _____ for a period of one year.

The undersigned is prepared to provide the following described services or supply the following described goods in connection with the above named project/contract:

JEE Web Services development for the MPEA Kiosk project.

The above described performance is offered for the following price and described terms of payment:

Cost of \$60,000. over a 12 month term
Net 30 days

If more space is needed to fully describe the MBE/WBE firm's proposed scope of work and/or payment schedule, attach additional sheets.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, and will do so within three (3) working days of receipt of a signed contract from the City of Chicago.

Janet Van Bergen
(Signature of Owner or Authorized Agent)

Janet Van Bergen, President
Name/Title (Print)

4/2/2009
Date

312 673 6433 x113
Phone



City of Chicago
Richard M. Daley, Mayor

Department of
Procurement Services
Montel M. Gayles
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)
<http://www.cityofchicago.org>

December 22, 2008

Janet Van Bergen, President
CityTech, Inc.
25747 North Kyle Court
Hawthorn Woods, Illinois 60047

Annual Certificate Expires:
Vendor Number:

October 1, 2009
50066309

Dear Ms. Van Bergen:

Congratulations on your continued eligibility for certification as a WBE by the City of Chicago. This WBE certification is valid until **October 2012**; however your firm must be re-validated annually. Your firm's next annual validation is required by **October 1, 2009**.

As a condition of continued certification during this five year period, you must file a No-Change Affidavit within 60 days prior to the date of expiration. Failure to file this Affidavit will result in the termination of your certification. Please note that you must include a copy of your most current Federal Corporate Tax Return. You must also notify the City of Chicago of any changes in ownership or control of your firm or any other matters or facts affecting your firm's eligibility for certification.

The City may commence action to remove your firm's eligibility if you fail to notify us of any changes of facts affecting your firm's certification or if your firm otherwise fails to cooperate with the City in any inquiry or investigation. Removal of eligibility procedures may also be commenced if your firm is found to be involved in bidding or contractual irregularities.

Your firm's name will be listed in the City's Directory of Minority Business Enterprises and Women Business Enterprises in the specialty area(s) of:

**Computer Software Consulting; Project Management Services;
Business Analysis; Software Development and Consulting;
Systems Integration and Information Technology Consulting**

Your firm's participation on City contracts will be credited only toward WBE goals in your area(s) of specialty. While your participation on City contracts is not limited to your specialty, credit toward WBE goals will be given only for work done in the specialty category.

Thank you for your continued interest in the City's Minority and Women Business Enterprise Programs.

Sincerely,

Lori Ann Lypson
Deputy Procurement Officer

LAL/emc



SCHEDULE C-1

Letter of Intent from MBE/WBE to Perform
as Subcontractor, Supplier and/or Consultant

Name of Project/Contract: _____
Specification Number: _____

From: Advotek Inc
(Name of MBE/WBE Firm)

MBE: Yes ___; No X
WBE: Yes X; No ___

To: Pay EASE and the City of Chicago:
(Name of Prime Contractor - Bidder/Proposer)

The undersigned intends to perform work in connection with the above projects as a:

Sole Proprietor Corporation
 Partnership Joint Venture

The MBE/WBE status of the undersigned is confirmed by the attached letter of Certification from the City of Chicago effective date of Jan 9, 2009 to August 1, 2009 for a period of one year.

The undersigned is prepared to provide the following described services or supply the following described goods in connection with the above named project/contract:

computer equipment and peripherals

The above described performance is offered for the following price and described terms of payment:

\$40,000.00 Net 30 days

If more space is needed to fully describe the MBE/WBE firm's proposed scope of work and/or payment schedule, attach additional sheets.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, and will do so within three (3) working days of receipt of a signed contract from the City of Chicago.

Diana Conley
(Signature of Owner or Authorized Agent)

Diana Conley, president
Name/Title (Print)

April 2, 2009
Date

630-964-7762
Phone



City of Chicago
Richard M. Daley, Mayor

Department of
Procurement Services

Muntel M. Gayles
Chief Procurement Officer

City Hall, Room 403
121 North LaSalle Street
Chicago, Illinois 60602
(312) 744-4900
(312) 744-2949 (TTY)

<http://www.cityofchicago.org>

January 9, 2009

Diana Conley, President
Advotek, Inc.
148 Ogden Avenue
Downers Grove, IL 60515

Annual Certificate Expires: August 1, 2009
Vendor Number: 1026040

Dear Ms. Conley:

Congratulations on your continued eligibility for certification as a WBE by the City of Chicago. This WBE certification is valid until **August 2012**; however your firm must be re-validated annually. Your firm's next annual validation is required by **August 1, 2009**.

As a condition of continued certification during this five year period, you must file a No-Change Affidavit within **60 days** prior to the date of expiration. Failure to file this Affidavit will result in the termination of your certification. **Please note that you must include a copy of your most current Federal Corporate Tax Return.** You must also notify the City of Chicago of any changes in ownership or control of your firm or any other matters or facts affecting your firm's eligibility for certification.

The City may commence action to remove your firm's eligibility if you fail to notify us of any changes of facts affecting your firm's certification or if your firm otherwise fails to cooperate with the City in any inquiry or investigation. Removal of eligibility procedures may also be commenced if your firm is found to be involved in bidding or contractual irregularities.

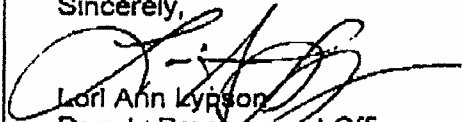
Your firm's name will be listed in the City's Directory of Minority Business Enterprises and Women Business Enterprises in the specialty area(s) of:

**Seller of Computer Systems;
Services and Consulting Services for Computers; Local Area Network (LAN)**

Your firm's participation on City contracts will be credited only toward WBE goals in your area(s) of specialty. While your participation on City contracts is not limited to your specialty, credit toward WBE goals will be given only for work done in the specialty category.

Thank you for your continued interest in the City's Minority and Women Business Enterprise Programs.

Sincerely,


Lori Ann Kyppson
Deputy Procurement Officer

LAL/ymj



SCHEDULE D-1

Affidavit of MBE/WBE Goal Implementation Plan

Contract Name: kick payment agreement
Specification No.: 21201

State of Illinois

County (City) of Montgomery

I HEREBY DECLARE AND AFFIRM that I am duly authorized representative of:

Pro-Pac LLC

(Name of Contractor)

and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract.

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago (Letters of Certification Attached) or have had a complete application for MBE/WBE certification on file with the City of Chicago at least thirty (30) days.

1. Direct Participation of MBE/WBE Firms

(Note: The Contractor will, in determining the manner of MBE/WBE participation, first consider involvement with MBE/WBE firms as joint venture partners, subcontractors and suppliers of goods and services directly related to the performance of this contract.)

1. If Contractor is a certified MBE or WBE firm, attach copy of City of Chicago Letter of Certification. (Certification of Contractor as a MBE satisfies the MBE goal only. Certification of Contractor as a WBE satisfies the WBE goal only.)
2. If Contractor is a joint venture and one or more joint venture partners are certified MBEs and WBEs, attach copies of Letters of Certification and a copy of Joint Venture Agreement clearly describing the role of the MBE/WBE firm(s) and its ownership interest in the joint venture.

3. MBE/WBE Subcontractors/Suppliers/Consultants:

1. Name of MBE/WBE: City Tech Inc
Address: 2547 North Kyle Court Hawthorn Woods IL
Contact Person: Janet Van Bergen Phone: 312 673 6422
Dollar Amount Participation: \$ 60,000.00
Percentage Amount of Participation: 14.15 %
Schedule C-1 attached? Yes ___ No ___ *(see Page 2)

2. Name of MBE/WBE: Advantek Incorporated
Address: 143 Taylor Ave, Downers Grove IL 60515
Contact Person: Diana Carter Phone: 630 764 3767
Dollar Amount Participation: \$ 40,000.00
Percentage Amount of Participation: 10 %
Schedule C-1 attached? Yes ___ No ___ *

3. Name of MBE/WBE: Crystal Lake Botae
Address: 6305 Northwest Highway, Crystal Lake, IL 60014
Contact Person: Sarand Suman Phone: 415 400 9600
Dollar Amount Participation: \$ 24,823.90
Percentage Amount of Participation: 5.71 %
Schedule C-1 attached? Yes No *

4. Name of MBE/WBE: Beton Office Machines
Address: 274 S. Webster Ave Chicago, IL 60601
Contact Person: Stella Betonic Phone: 312 472 4266
Dollar Amount Participation: \$ 1,570.00
Percentage Amount of Participation: 37 %
Schedule C-1 attached? Yes No *

5. Name of MBE/WBE: _____
Address: _____
Contact Person: _____ Phone: _____
Dollar Amount Participation: \$ _____
Percentage Amount of Participation: _____ %
Schedule C-1 attached? Yes No *

6. **Attach additional sheets as needed.**

*All Schedule C-1s and Letters of Certification not submitted with bid/proposal must be submitted so as to assure receipt by the Contract Administrator within three (3) business days after bid opening (or proposal due date).

2. **Indirect Participation of MBE/WBE Firms**

(Note: This section need not be completed if the MBE/WBE goals have been met through the direct participation outlined in Section I. If the MBE/WBE goals have not been met through direct participation, contractor will be expected to demonstrate that the proposed MBE/WBE direct participation represents the maximum achievable under the circumstances. Only after such a demonstration will indirect participation be considered.)

Schedule D-1
Affidavit of MBE/WBE Goal Implementation Plan

*All Schedule C-1s and Letters of Certification not submitted with bid/proposal must be submitted so as to assure receipt by the Contract Administrator within three (3) business days after bid opening (or proposal due date).

3. Summary of MBE/WBE Proposal:

1. MBE Proposal:

1. MBE Direct Participation (from Section I):

<u>MBE Firm Name</u>	<u>Dollar Amount of Participation</u>	<u>Percent Amount of Participation</u>
Crystal Lake Partners	\$ 22,373.93	5.51%
Behan Office Machine	\$ 1,200.00	0.30%
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Direct MBE Participation:	\$ _____	_____ %

2. MBE Indirect Participation (from Section II):

<u>MBE Firm Name</u>	<u>Dollar Amount of Participation</u>	<u>Percent Amount of Participation</u>
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Indirect MBE Participation:	\$ _____	_____ %

2. WBE Proposal:

1. WBE Direct Participation (from Section I):

<u>WBE Firm Name</u>	<u>Dollar Amount of Participation</u>	<u>Percent Amount of Participation</u>
City Tech Inc.	\$ 60,000	14.45%
Aravotek Inc.	\$ 40,000	9.6%
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Direct WBE Participation:	\$ _____	_____ %

2. WBE Indirect Participation (from Section II):

<u>WBE Firm Name</u>	<u>Dollar Amount of Participation</u>	<u>Percent Amount of Participation</u>
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
_____	\$ _____	_____ %
Total Indirect WBE Participation:	\$ _____	_____ %

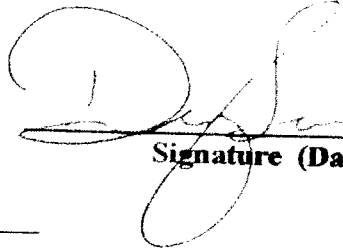
Schedule D-1
Affidavit of MBE/WBE Goal Implementation Plan

To the best of my knowledge, information and belief, the facts and representations contained in this Schedule are true, and no material facts have been omitted.

The Contractor designates the following person as their MBE/WBE Liaison Officer:

Name: Devin M. Sears Phone Number: 312 211 4800

I do solemnly declare and affirm under penalties of perjury that the contents of the foregoing document are true and correct, and that I am authorized, on behalf of the Contractor, to make this affidavit.


Signature (Date) 04/27/07

State of _____

County of _____

This instrument was acknowledged before me on _____ (date)
by _____ (name(s) of person(s))
as _____ (type of authority, e.g., officer, trustee, etc.)
of _____ (name of party on behalf of whom instrument was executed).

Signature of Notary Public

(Seal)

NEW 2009

PROFESSIONAL SERVICES INSURANCE REQUIREMENTS

**Department of Revenue
Automated Collection of Payments- Interactive Kiosks
Pay-Ease, LLC.**

Contractor must provide and maintain at Contractor's own expense, during the term of the Agreement and time period following expiration if Contractor is required to return and perform any of the Services or Additional Services under this Agreement, the insurance coverage and requirements specified below, insuring all operations related to the Agreement.

A. INSURANCE TO BE PROVIDED

1) Workers Compensation and Employers Liability

Workers Compensation Insurance, as prescribed by applicable law, covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident, illness or disease.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury and property damage liability. Coverages must include the following: All premises and operations, products/completed operations, separation of insureds, defense and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the Services or work.

Subcontractors performing Services for Contractor must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with Services to be performed, Contractor must provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

Subcontractors performing work for the Contractor must maintain limits of not less than \$1,000,000 with the same terms in this subsection.

4) Professional Liability

When any system technicians or other electronic data processing (EDP) professionals including but not limited to system programmers, hardware and software professionals/consultants, project/program managers or other professional consultants perform Services in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$1,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with or precede start of work on the Agreement. A claim-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

5) Valuable Papers

When any media, data, records, reports, files and other documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

6) Blanket Crime

Contractor must provide Blanket Crime Insurance or equivalent covering all persons handling funds under this Agreement, against loss by dishonesty, robbery, burglary, theft, destruction, or disappearance, computer fraud, credit card or depository's forgery, and other related crime risks. The policy limit must be written to cover losses in the amount of the maximum monies and MPEA stamps collected or received and in the possession of Contractor at any given time.

7) Property

The Contractor is responsible for all loss or damage to City property including the Department of Revenue safe/vault at full replacement cost that results from the Agreement.

The Contractor is responsible for all loss or damage to personal property (including materials, equipment including the kiosks, tools and supplies) owned, rented or used by Contractor.

B. ADDITIONAL REQUIREMENTS

Contractor must furnish the City of Chicago, Department of Procurement Services, City Hall, Room 403 and Department of Revenue, Room 107, 121 North LaSalle Street 60602, original Certificates of Insurance, or such similar evidence, to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. Contractor must submit evidence of insurance on the City of Chicago Insurance Certificate Form (copy attached as Exhibit-) or equivalent prior to execution of Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from Contractor is not a waiver by the City of any requirements for the Contractor to obtain and maintain the specified coverages. Contractor must advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance does not relieve Contractor of the obligation to provide insurance as specified in this Agreement. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to suspend this Agreement until proper evidence of insurance is provided, or the Agreement may be terminated.

The insurance must provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed.

Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Contractor.

Contractor hereby waives and agrees to require their insurers to waive their rights of subrogation against the City of Chicago, its employees, elected officials, agents or representatives.

The coverages and limits furnished by Contractor in no way limit the Contractor's liabilities and responsibilities specified within the Agreement or by law.

Any insurance or self-insurance programs maintained by the City of Chicago do not contribute with insurance provided by Contractor under this Agreement.

The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Agreement or any limitation placed on the indemnity in this Agreement given as a matter of law.

If Contractor is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Contractor must require all Subcontractors to provide the insurance required in this Agreement, or Contractor may provide the coverages for Subcontractors. All Subcontractors are subject to the same insurance requirements of Contractor unless otherwise specified in this Agreement.

If Contractor or Subcontractor desire additional coverages, the party desiring the additional coverages is responsible for the acquisition and cost.

Notwithstanding any provision in the Agreement to the contrary, the City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements.