

**CITY OF CHICAGO
PRE-APPROVED
MODIFICATION / OVERRIDE REQUISITION**

Copy (Department)

DELIVER TO: 029-4670 ST. OPS. 2735 N. ASHLAND AVE. Chicago, IL 60614	REQUISITION: 31875 For PO Number: 10691 PAGE: 1 DEPARTMENT: 29 - DEPARTMENT OF REVENUE PREPARER: Steven Y Sakai NEEDED: PRE-APPROVED 1/24/2007
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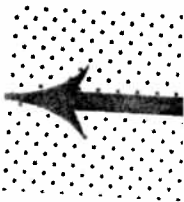
REQUISITION DESCRIPTION

Amendment: PO#10691 with URT, Inc.: add boot removal services, for DOR, to scope.
 SPECIFICATION NUMBER: 11401
 Mod Reason: SCOPE CHANGE

COMMODITY INFORMATION

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST						
1	96890	1	Each	0.00	0.00						
Amendment to add scope: Boot Release and Tow.											
SUGGESTED VENDOR: UNITED ROAD SERVICES, INC.			REQUESTED BY: Steven Y Sakai								
DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	
1	007	0100	0294675	0140	220140	0000	00000000	000000	00000	0000	0.00
LINE TOTAL:											0.00
REQUISITION TOTAL:											0.00

S. S. R. B.
 DATE 2/7/07
 APPROVED _____
 CONDITIONALLY APPROVED DWY
 RETURN TO DEPT _____
 APPROVED _____





City of Chicago
Richard M. Daley, Mayor

Department of Revenue

Bea Reyna-Hickey
Director

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

<http://www.ci.chi.il.us>

January 25, 2007

Barbara A. Lumpkin
Chief Procurement Officer
Department of Procurement Services
121 North LaSalle Street, Room 403
Chicago, Illinois 60602-1284

Subject:	Scope Expansion Request: Non-Competitive Procurement Request to Add Boot Removal Services to the URT Towing Contract.
Vendor:	<i>United Road Towing, Inc.</i>
Title:	Auto Pound Management and Related Towing Services
PO#:	10691
RX No.:	31875
Spec. No.:	11401
Vendor Limit Increase:	\$1,293,000 (DUR) for a 3-year period.

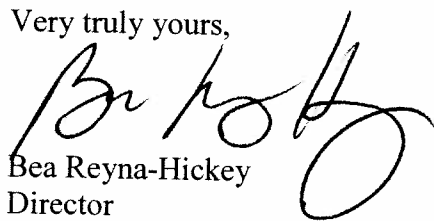
Dear Ms. Lumpkin:

The Department of Revenue requests an amendment to add "boot removal services" to the Department of Streets and Sanitation contract for vehicle towing services. The scope of work to be added into this contract is for boot removal services as required by the Department of Revenue, and as described in detail in the attached Non-Competitive Procurement Justification package.

Also please find attached the requisite Project Checklist and Requisition forms.

If you would like further information, please contact Steve Sakai, Contracts Coordinator, at 747-3753.

Very truly yours,


Bea Reyna-Hickey
Director

Attachments
BRH:sys

cc: Brian Murphy – Office of the Mayor
Michael J. Picardi – Department of Streets and Sanitation
Steve Sorfleet – Department of Streets and Sanitation
Mathew Darst – Department of Revenue
Phil Cobb – Department of Revenue
William Kenan – Department of Revenue
Mark Galvan – Department of Revenue
Steven Sakai – Department of Revenue



07.10.07 3:00 PM

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DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	TOTAL COST
1	007	0100	0294675	0140	220140	0000	00000000	000000	00000	0000	0.00
LINE TOTAL:											0.00
REQUISITION TOTAL:											0.00

S. S. R. B.

DATE _____

APPROVED _____

CONDITIONALLY APPROVED _____

RETURN TO DEPT _____

APPROVED _____

Where a commodity is for a particular or unique use other than standard quality, grades, color, size or other characteristics, give details of how it will be and for what purpose.
 Requisitions prepared incorrectly will be returned to the using department.

**CITY OF CHICAGO
PRE-APPROVED
MODIFICATION / OVERRIDE REQUISITION**

Copy (Department)

DELIVER TO: 029-3157 ST. OPS. 2735 N. ASHLAND AVE. Chicago, IL 60614	REQUISITION: 31875 For PO Number: 10691 PAGE: 1 DEPARTMENT: 29 - DEPARTMENT OF REVENUE PREPARER: Steven Y Sakai NEEDED: PRE-APPROVED 1/24/2007
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REQUISITION DESCRIPTION

Amendment: PO#10691 with URT, Inc.: add boot removal services, for DOR, to scope.
 SPECIFICATION NUMBER: 11401
 Mod Reason: SCOPE CHANGE

COMMODITY INFORMATION

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST							
2	96890	1,293,000	USD	0.00	0.00							
Increase Vendor Limit in the amount of \$1.293 million, to account for a 3-year period of service (effective 2007, 2008, 2009) DUR.												
SUGGESTED VENDOR: UNITED ROAD SERVICES, INC.			REQUESTED BY: Steven Y Sakai									
DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR		
1	007	0100	0294675	0140	220140	0000	00000000	000000	00000	0000	0.00	
											LINE TOTAL:	0.00

REQUISITION TOTAL: 0.00

Where a commodity is for a particular or unique use other than standard quality, grades, color, size or other characteristics, give details of how it will be and for what purpose.
 Requisitions prepared incorrectly will be returned to the using department.

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: January 25, 2007
REQ No.: 31875

Contact Person: Steve Sakai
Tel: 7-3753 Fax: 7-2420 E-mail: steve.sakai@cityofchicago.org

PO No.: (if known): 10691

Project Manager: Yusuf Umar
Tel: 2-6974 Fax: 2-6999 E-mail: DR00326@cityofchicago.org

Modification No.: (if known):
Project Description: Uniforms

Previous PO No.: (if known): 4653

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
	007	0100	029	4675	0140	0140				1293000

Estimated Value \$1,293,000 for 3-years

*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: Requested Term (number of months): 3-yrs

PRE BID/SUBMITTAL REQUIREMENTS:

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

From: Douglas Yerkes
To: Smith, Christine
Date: 1/26/2007 1:06:48 PM
Subject: Fwd: URT: sole source submittal

Christine,

Please ensure that this is on the next SS agenda.

Thanks.
Doug

>>> Steven Sakai 1/25/2007 4:37 PM >>>

Hello Doug and Bo-

re: PO# 10691 - request to add boot-release-and-tow services into the existing Agreement.

Please note that I delivered the sole source request package (per Christine Smith's instructions to have them in before Friday, January 26th, for the February 1st sole source agenda meeting), however Ms. Smith was not in today to receive the package. If you would be so kind as to look for this and assure its place for next Thursday's meeting, I would greatly appreciate it.

Attached is a copy of the Sole Source Justification and related Term Sheet components of the package - missing in this attachment are its cover memo signed by my Director, requisition (#31875), and Project checklist (our scanner is down).

Thank you for your time,
steve.

Steven Y. Sakai
Contracts Coordinator
City of Chicago
Department of Revenue
333 S. State Street - Room 530
Chicago IL 60604-3989

CC: Hands, Mark

NON-COMPETITIVE PROCUREMENT JUSTIFICATION

A non-bid or non-competitive procurement contract request must have its basis in accordance with the following:

Illinois Compiled Statutes
Chapter 65. Municipalities Illinois Municipal Code
Article 8. Finance
Division 10. Purchasing and Public Works Contracts in Cities of More Than 500,000
§ 65 ILCS 5/8-10-4 Contracts not adapted to award by competitive bidding.

Sec. 8-10-4. "Contracts which by their nature are not adapted to award by competitive bidding, such as but not limited to contracts for the services of individuals possessing a high degree of professional skill where the ability for fitness of the individual plays an important part, contracts for supplies, materials, parts or equipment which are available only from a single source . . . shall not be subject to the competitive bidding requirements of this Article. . ."

PROCUREMENT HISTORY (INCLUDING FUTURE PROCUREMENT OBJECTIVES)

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

The Departments of Revenue (DOR) and Streets and Sanitation (DSS) seek to amend the scope of the "Agreement between the City of Chicago Department of Streets and Sanitation and United Road Towing, Inc. (as Assignee of United Road Services, Inc.) for Auto Pound Management and Related Towing" (Contract (PO) Number: 10691, Specification Number: 11401). United Road Towing (URT) presently provides towing and impoundment services for the City of Chicago, including operation of City auto pounds, towing abandoned vehicles, illegally parked vehicles, vehicles in snow routes, and booted vehicles, and dispensing of unclaimed vehicles.

In regards to booted vehicles, DOR, DSS, and URT would like to include the removal of boot devices from vehicles to be towed for outstanding parking ticket debt to the scope of the Agreement. The current towing process requires both the tow truck driver and a DOR employee (booter) be present when towing a vehicle at least 24 hours after it has been immobilized for the unpaid debt. This process requires a great deal of coordination between the two agencies and is inefficient. DOR's analysis indicates that both URT and DOR lose precious hours each week waiting for the other to arrive at the site of the tow eligible vehicle.

Under a scope modification, DOR would provide URT remote access to the City's booting database (CANVAS), allowing URT to track boot releases as a result of payment and enter towing data. In addition, DOR would provide Business Objects reporting capability to URT enabling them to determine those vehicles ready to be towed. Training for both would be provided by DOR.

URT would provide towing/release services each day (excluding City holidays), Monday through Saturday. Towing operations would begin as early as necessary, provided that a vehicle has been on the street for the minimum 24-hour period. All vehicles would be towed before the end of the next business day.

URT would be responsible for printing daily tow reports. Tow reports may be run early in the morning, although URT may elect to run additional reports throughout the day. URT personnel would be notified via CANVAS of any vehicle releases due to payments or successful challenges at an administrative hearing every 60 seconds. Those vehicles would not be eligible for impoundment. URT would not be required to release a boot on any vehicle removed from the tow report due to payment.

After all eligible vehicles on the report have been towed to the auto pounds, DOR would utilize CANVAS to generate performance reports. Those reports would document URT's production based upon URT's use of CANVAS to data enter vehicles towed (including the time of tow) and the number of vehicles that were missing (due to stolen boots) when URT arrived to tow them.

DOR would provide URT with boot lock keys to enable the removal of boot devices on vehicles to be towed, as well as providing proper training of tow staff on the proper removal of the devices. Locks, keys, and boot devices would be maintained in a secure facility.

The following is the basic procedure for the towing/release operation:

Adapted from the DPS "Instructions for Preparation of Non-Competitive Procurement Form (rev 9/97)"
rev. 04nov2004

- Tow truck is dispatched to the location on the tow sheet. Areas where boots are stolen or tampered with must be addressed first.
- Once the vehicle is located, the tow driver will hook the vehicle.
- The tow driver would contact URT's dispatch area and confirm the vehicle remains eligible for towing (i.e., no payments have been made).
- Upon confirmation, the dispatcher would enter the necessary tow information into the CANVAS application.
- URT will remove the boot device and load the vehicle onto the bed.
- URT stores the devices in a secure area until retrieved by DOR personnel the following day.

In the event a scheduled tow is not at the designated location when the truck arrives, the driver must immediately inform URT's dispatch unit. The dispatcher would contact DOR to verify the address (e.g., was the address misspelled, etc.). If the address is accurate, the tow driver must check the license plates of vehicles parked within a two-block radius of that address to ensure the vehicle was not relocated nearby after the boot was removed illegally. Should the vehicle be located, it must be towed immediately. If the vehicle is not found, URT personnel must make note of the missing boot and enter the information, including the associated fees, into CANVAS.

DOR personnel will pick up the boot devices on a daily basis from URT's facility. URT is responsible for the secure storage of boots and locks. The number of boot devices and locks retrieved must match the number of boots removed from towed vehicles the previous day. URT is responsible for the replacement cost of boot devices and locks that are unaccounted.

The control and security of boot release keys are a vital component of the operation. URT must maintain strict control of the keys at all times. In the event a key is lost, URT must notify DOR immediately and absorb the cost of replacing the cylinders in all locks with that particular combination.

URT is liable for towing any vehicle in error. This includes vehicles that were released due to payment but not confirmed before the tow, as well as vehicles towed before the 24-hour waiting period had expired. Any vehicle towed in error must be returned to its original location immediately at URT's expense. The City will not pay fees for vehicles towed in error.

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 an amendment to an existing contract for towing and pound management services.

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

There has been no attempt to competitively bid the requirement. URT is the only vendor that can provide the services as URT is the only vendor on location to tow and impound the vehicle.

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.)

There are no other sources that can provide this service. URT is the City's current tow vendor, and, as such, is the only vendor capable of the command and control processes required by the scope change.

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

DOR would request that the amendment be built into the scope when seeking any new source for pound management and towing services.

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

The scope should be tied to any future procurement of auto pound management and towing services.

ESTIMATED COST

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

DOR and the Office of Budget and Management (OBM) estimate costs in 2007 of between \$418,000 and \$477,000 (based upon estimates of between 56,381 and 64,275 boots per year and a tow rate of 27%). Costs, however, would be offset by projected revenues (please see below).

2. What is the funding source?

Fund 007-0100-0294675-0140-220140 (subject to approval by OBM).

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.).

Costs factor annualized 2006 boots and estimates for 2007 using license plate recognition software. The 27% tow rate is based upon the percentage of booted vehicles towed in 2006. URT requests \$27.50 per boot release. That cost factors in security cameras, bins, and a storage facility.

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.

The City will see a significant cost savings by utilizing URT. URT is already on the scene, and the costs leverage that fact. Utilization of another source would be duplicative because it would require two vendors to visit the same site for every tow. Further, URT provides related services under an existing agreement, thereby reducing any additional costs for risk, damage, or loss.

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

DOR will expend more than 12,300 hours to assist in the act and supervision of vehicle towing in 2007 (8000 hours excluding overtime). Assuming a conservative increase of just 4000 to 8000 boots (.5 to 1 boot per non-overtime hour), conservative collections of 50%, and a conservative value of \$500, DOR would generate an additional \$1 million to \$2 million per year.

6. Explain what negotiations of price have occurred or will occur.

DOR and URT have negotiated a price of \$27.50 per boot in year one, \$28.75 per boot in year two, and \$30 per boot in year three. URT will abide by the existing D/M/WBE requirements. DOR is negotiating strict service levels with URT and expects URT to credit the City for any non-compliance.

7. Detail why the estimated cost is deemed reasonable.

URT's estimated cost approximates the DOR's actual costs. The benefits, as noted by the revenues above, far exceed the cost. Further, DOR's dispatch unit is moving to DSS. URT's use of CANVAS should reduce traffic to the dispatch group, allowing DSS to reallocate dispatches and cut future costs.

SCHEDULE REQUIREMENTS

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

The City hopes to implement as soon as possible (1Q2007). The project was conceived in late 2006.

2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? Not applicable.

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

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

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, or other factors make this person or firm exclusively or uniquely qualified for the project.

URT is in the unique position of being able to release the boots at the time of towing. URT currently provides dispatch services in that regard, and that fact lends itself to the data capture of boot release information. The DOR already communicates with URT regarding all vehicle releases (and the introduction of an additional party would create more work for DOR personnel).

2. Attach copy of cost proposal and scope of services. Please see attached Term Sheet.
3. Does the proposed firm have personnel considered unquestionably predominant in the particular field?

URT's personnel have expertise in the towing and impoundment of vehicles. URT's dispatchers are trained at prioritizing work in the field and dispatching personnel appropriately.

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

URT is familiar with integrating with City dispatch systems (311), and this expertise will benefit URT when integrating with and using CANVAS. URT can timely dispatch and manage resources, thereby increasing productivity and reducing the time a boot is left on the street. This ability should reduce the number of boots lost, stolen, or tampered with on an annual basis.

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

URT personnel will have access to lap tops and personal computers that host the CANVAS application. They will be able to access real time reports for dispatch purposes. The City has leveraged URT's expertise to design CANVAS screens that are intuitive and meet the variety of needs of both URT and the City of Chicago.

6. 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?

URT would be responsible for inventorying and storing collected boots at its facilities. No other vendor would be able to store the boot devices at the auto pounds.

7. 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.

8. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data?

No, although it should be noted that CANVAS is a propriety application. All users must sign a statement limiting the scope of their use to their employment with the City or a contractor, and URT has agreed to be bound by such use agreements.

9. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from another source. Not applicable.

If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? Not applicable.

If so, attach letter from manufacturer. Not applicable.

OTHER

1. Explain other related considerations and attach all applicable supporting documents (e.g. (ITSC) Information Technology Strategy Committee approval forms, etc.).

A number of DOR vendors currently access DOR systems (including CANVAS) via VPN tunnels through the City's network. DOR anticipates needing to provide access for an additional two users, but does not believe that additional bandwidth is necessary. DOR will work with BIS to ensure this assumption. Should BIS require, DOR will submit the requisite documentation.

- 2 Explain what opportunities of direct/indirect involvement of MBEs and WBEs have been discussed and/or are available in this contract.

URT will abide by the MBE/WBE requirements of its current contract. Services provided under the scope change will be subject to those requirements.

MODIFICATION TERM SHEET

Contract (P.O.) Number: 10691

Specification Number: 11401

Description: Agreement between the City of Chicago Department of Streets and Sanitation and *United Road Towing, Inc.* (as Assignee of United Road Services, Inc.) for Auto Pound Management and Related Towing

Increase of Award Amount: \$1.293 million for 3 year period.

Section 1.1. Definitions

“CANVAS” means the City of Chicago’s parking and booting database.

“City Dispatch” means the dispatch unit for the Department of Revenue.

“Department” means the City Department of Streets and Sanitation and, as it applies to services provided under Exhibits R1, R2, R3, and R4, the City Department of Revenue.

“Director” means the Director of the Department of Revenue of the City and any duly authorized representative acting on the Director’s behalf.

“Facility” means the secure area at City Auto Pound 2 at 103rd and Doty, Chicago.

“Services” means, collectively, the services, duties, responsibilities described in Article 2 and Exhibits 1, R1, R2, and R3 of this Agreement and any work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

Section 1.3 Incorporation of Exhibits

The following attached Exhibits are made a part of this Agreement:

Exhibit R1 Scope of Services and Time Limits for Performance

Exhibit R2 City Responsibilities

Exhibit R3 Performance Measures and Service Levels

Exhibit R4 Compensation Schedule for Boot Releases

Section 2.1 Scope of Services

Amend Section 2.1 to reference and incorporate Exhibit R1, Scope of Services, and Exhibit R2, System Technology, as Services United Road Towing, Inc. (“the Contractor”) must provide. Amend Section 2.1 to reference Exhibit R3, Performance Measures, as additional standards of performance in which Contractor must provide Services in accordance.

Section 2.11 City’s Responsibilities

Add language noting that the City is responsible for making system modifications and providing training under Exhibit R2.

Section 2.5 Minority and Women’s Business Enterprises Commitment

NOTE: Contractor wants to provide compliance details for entire dollar value (included added scope) and not separately for existing agreement and added scope.

Section 2.7 Indemnification

Contractor seeks to exclude the following from the definition of losses (subsection (b)): improper booting of vehicles by the City, damage to vehicles from improper booting of vehicles by the City, and wrongful identification by the City of booted vehicles to be towed.

Section 2.9 Confidentiality

(a) ...Further, all documents and other information, whether provided to the Contractor by the City in writing, verbally, by electronic or other data transmission, or in any other form or medium whatsoever, are confidential and must not be made available to any other individual or organization without the prior written consent of the City...

Section 3.2 Timeliness of Performance

(a) Contractor must provide the Services and Deliverables within the term and within the time limits require under this Agreement pursuant to the provisions of Section 2.1 and Exhibits 1, R1, R2, and R3...

Section 4.1 Basis of Payment

Incorporate Exhibit R4 for compensation for successful completion of services.

Section 4.2 Method of Payment

Incorporate Exhibit R4 with the schedule of compensation.

Section 4.3 Funding

The “do not exceed” clause may need to be increased.

Section 7.1 Warranties and Representations

(h) Represents that it has discussed, reviewed, and provided feedback concerning the CANVAS application and, provided the City meets its responsibilities Exhibit R2, the Contractor can perform the services under Exhibit R1 utilizing CANVAS.

Article 10. Notices

Add the Director of Revenue to the list of notices to the extend the noticing provisions apply to services provided under Exhibits R1, R2, R3, and R4.

□

EXHIBIT R1

SCOPE OF SERVICES AND TIME LIMITS FOR PERFORMANCE

1. Scope of Services

Within 30 days of approval of the Additional Services herein by the Commissioner, Director, and Chief Procurement Officer, Contractor is to provide the services as set forth below.

A. Boot Release

- i. Contractor shall print daily tow reports, Monday through Saturday indicating the time and date booted vehicles are eligible for impoundment. Contractor shall be required to print daily tow reports and tow vehicles on Sundays if tow eligible vehicles remain on the street.
- ii. Contractor shall inspect booted vehicles eligible for towing and impoundment for existing vehicle damage.
- iii. Contractor shall verify the status of all booted vehicles utilizing CANVAS prior to performing the boot release and impounding the vehicle.
- iv. Should Contractor confirm that a booted vehicle is eligible for towing and impoundment, Contractor shall update CANVAS immediately by entering all necessary information including the date and time of the tow.
- v. Contractor shall remove the boot device from the vehicle prior to towing. Contractor shall tow the vehicle pursuant to the scope of services and compensation schedules set forth in Exhibits 1 and 2 of the Agreement.
- vi. Contractor shall place the boot device in the Contractor's vehicle and proceed to the next vehicle eligible for towing.
- vii. Contractor shall not release the boot or tow and impound any vehicle prior to any time authorized by the Department of Revenue.
- viii. Contractor shall not release the boot or tow and impound any vehicle once the Department of Revenue has indicated that the registered owner is in compliance (e.g., payment, successful hearing request, etc.).

B. Missing Boots

- i. If any tow eligible vehicle is missing when the Contractor arrives at the vehicle's documented location, Contractor shall contact City Dispatch to verify the address.
- ii. If City Dispatch provides an alternative address, the Contractor shall proceed to that address to release the boot and tow the vehicle.
- iii. If no alternative address is provided, Contractor shall check for the vehicle within a one radius to ensure the vehicle was not relocated. Contract may exceed this radius should it so desire.
- iv. If the vehicle is located, the Contractor shall follow the Boot Release procedures above.
- v. If the vehicle is not located, the Contractor shall update CANVAS to document the missing vehicle.

C. Boot Storage

- i. Contractor shall store all removed boot devices in a secure area at the Facility.
- ii. Contractor is required to inventory the boot devices and locks as they are returned. The number of devices and locks shall match the number of boot devices and locks removed by the Contractor.
- iii. Contractor is responsible for all boot devices and locks damaged, lost, or stolen while in the Contractor's custody. Contractor shall pay replacement and shipping costs for such boot devices and locks.
- iv. Contractor shall allow the Department of Revenue to retrieve and remove boot devices from the facility daily between the hours of 6:00AM – 5:00PM, Monday thru Saturday.

D. Keys

- i. Contractor shall secure boot release keys at all times.
- ii. In the event a key is lost or stolen, Contractor shall immediately notify the Director. The Director shall make

arrangements for shipment and replacement of keys and cylinders.

- iii. Contractor shall fund the cost of replacing and shipping the cylinders in all locks associated with the lost or stolen key.
- iv. In the event a key is damaged, Contractor shall pay replacement and shipping costs for such key.

2. Relationship Management

- A. The Contractor and the Director shall monitor the progress of the performance of the Agreement and analyze and attempt to resolve any problems. The Director may request and Contractor shall attend meetings in this regard.
- B. No later than the tenth of each month, Contractor shall deliver to the Director a status report summarizing the preceding months performance, including instances where the Contractor failed to meet one or more of the Service Levels specified in Exhibit R3, summaries of any non-compliance, and specifics about any other actual or anticipated performance problems.
- C. The Contractor and the Director shall meet during the last calendar quarter of each calendar year for the purpose of reviewing and improving the Service Levels under Exhibit R3 to reflect changes in circumstances. In addition, either the City or the Contractor may, at any time, upon thirty days prior notice to the other, initiate negotiations to review and to improve any Service Level that either party reasonably believes to be in need of adjustment. Contractor shall implement all Service Level adjustments upon which the parties, negotiating in good faith, mutually agree in writing. Notwithstanding the foregoing, Contractor shall use commercially reasonable efforts to improve the Service Levels from year to year.
- D. If for any reason this Agreement is scheduled to end, either by expiration according to its terms or under any termination provision, including for default, early termination, or non-appropriation, the Contractor must maintain sufficient personnel until the date and time the Agreement ends for the release of booted vehicles.

EXHIBIT R2

CITY RESPONSIBILITIES

1. CANVAS

- A. CANVAS presently provides users the ability to:
1. Receive reports of vehicles pending towing.
 2. Data enter information concerning a boot incident, including the enforcement type, date, time, and location of seizure, the unit and badge number of the booter, the vehicle plate, the vehicle plate type, vehicle make, model, weight, and color.
 3. Data enter information concerning a tow incident, including the location, truck number, pound location, and unit and badge number.
 4. Data enter information concerning a lost, stolen, or missing boot.
 5. Capture information concerning compliance through payment.
 6. Capture information concerning compliance through a hearing.
 7. Access CANVAS 24 hours per day, excluding system maintenance windows or system downtime.
- B. Prior to Contractor performing the services under Exhibit R1, the Department of Revenue must complete the following modifications to CANVAS:
1. Generate tow lists of vehicles ready for or pending towing including the lock and key type used to apply the boot device.
 2. Allow data entry of entire Vehicle Identification Number (“VIN”) at time of immobilization.
 3. Assign a sequence number to all tow requests.
 4. Allow data entry of information relating to the physical condition of the vehicle and any evidence of damage documented by the City at the time of immobilization.
 5. Allow the generation of a tow report identifying the times and dates vehicles are eligible for towing, the booter’s badge and

unit number (or digital signature), and VIN, when available, and individual tow orders.

6. Allow the printing of specific pages of the tow report or reprinting of an entire report.
7. Update every 60 seconds to reflect changes to the pending tow list.
8. Allow Contractor to access CANVAS via VPN gateway.
9. Provide no more than 2 of the Contractor's personnel access to CANVAS via the City's project office should the Contractor be unable to connect via the VPN gateway.

C. In addition, the Department of Revenue plans to implement the following system modifications. These modifications, however, are not a condition precedent to Contractor's performance:

1. Modify CANVAS to allow users to edit vehicle weight so as to automatically apply the appropriate fee schedule.
2. Allow Contractor to access CANVAS wirelessly.
3. Ensure that security protocols are modified for Contractor's users.

2. Training

- A. The City shall provide the Contractor and its employees performing the services described in Exhibit R1 with reasonable training in the operations of CANVAS and the proper procedures to release a boot device from a vehicle.

3. Boot Operations

- A. Provide boot lock keys to enable removal of boot devices applied to vehicles authorized for tow.
- B. Retrieve and remove boot devices from the Facility daily and sign a receipt for all boots collected.
- C. Boots shall not remain at the Facility for a period greater than two business days.
- D. Work with Contractor to identify process and system improvements.



EXHIBIT R3

PERFORMANCE MEASURES AND SERVICE LEVELS

1. Service Levels

Contractor shall perform the services under Exhibit R1 in compliance with the service levels set forth in paragraph 4.

2. Failure to Meet Service Levels

Should Contractor fail to provide services under Exhibit R1 in compliance with the service levels set forth in paragraph 4, Contractor, at its own discretion, shall (a) perform a root cause analysis to identify the cause of such failure, (b) correct such failure, and (c) provide the Director with a report detailing the cause of, and procedure for correcting, such failure and specifying the procedure that Contractor shall implement to prevent recurrence of such failure. If the Contractor reasonably determines that the failure to meet the service levels was the result of a failure by the City to substantially perform or the occurrence of a force majeure event, then City shall not be entitled to seek financial adjustments under paragraph 3.

3. Financial Adjustments

In the event of any failure by Contractor to meet the service levels detailed in paragraph 4, City may elect to require the Contractor to adjust the price.

4. Service Level Schedule

SERVICE LEVEL	PERFORMANCE MEASURE	DEFAULT	CREDIT
<u>Boot Removal</u> Contractor will remove boots and tow eligible vehicles within six hours of the time indicated on the tow report.	When the time that a boot is removed exceeds by 6 hours the eligible tow time indicated on the tow report.	Contractor has not met the Service Level for at least 5% of all boots removed during a given month.	\$27.50 per boot contributing to the default.
<u>Boot Removal</u> Contractor will not exceed 12 hours of the time indicated on the tow report to remove boots and tow eligible vehicles.	When the time that a boot is removed exceeds by 12 hours the eligible tow time indicated on the tow report.	When the number of boots removed 12 hours or more from the time indicated on the tow report exceeds 1% of all boots removed.	\$400 per boot that is reported lost, stolen, or tamped 12 hours or more from the eligible tow time.
Note: above performance measure discussions are ongoing.			

EXHIBIT R4

COMPENSATION SCHEDULE FOR BOOT RELEASES

The total price for all service performed under Exhibit R1 and for the performance of the Contractor of all of its other duties and obligations as set forth in Exhibit R3 shall be as set forth below:

Services performed by Contractor:	Cost for the removal, storage, and return of each boot from a vehicle authorized to be towed and impounded:	Should the Agreement be terminated other than for cause or for the Contractor's default, the City will pay the following management transition fees:
Prior to and on December 31, 2007	\$27.50	\$38,500.00
January 1, 2008 through December 31, 2008	\$28.75	\$25,500.00
January 1, 2009 through December 31, 2009	\$30.00	\$12,500.00

□

From: Christine Smith
To: Darst, Matthew; Galvan, Mark; Reyna-Hickey, Bea; Sakai, Steven; Sorfleet, Steve
Subject: Sole Source Meeting **Voting Results:** Thursday, February 1, 2007

Department: Department of Revenue & Department of Streets & Sanitation
Description of Request: Scope Expansion Request - Add Boot Removal Services to the URT
Towing Contract
PO# 10691 RX#: 31875 Spec #: 11401
Contractor/Vendor: United Road Towing, Inc.
Requested Award Amt: **\$ 1,293,000**
Requested Contract Term(s) 3 Years

Voting Results: **5-0 -* Conditional Approval**
***Based on DPS Attorney's to Review**

CC: Caminer, Brian; Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

From: Christine Smith
To: GUDGEON, AMY
Subject: Sole Source Meeting, **Voting Results:** Thursday, February 1, 2007

Department: Office of Emergency Management & Communication
Description of Request: Testomg Servoces for Ernst & Young Consulting Serviecs
Contractor/Vendor: Ernst & Young
Requested Award Amt: \$ 253,138.00
Requested Contract Term(s) 1 Time

Voting Results: **5-0 Approved**

CC: Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

From: Christine Smith
To: Ruley, Dorsey
Subject: Sole Source Meeting, **Voting Results:** Thursday, February 1, 2007

Department: Office of Emergency Management & Communication
Description of Request: Supporting Construction of AT&T Emergency
Communications Platform
Contractor/Vendor: Rich Nore
Requested Award Amt: \$ 306,500
Requested Contract Terms: 33 Months

Voting Results: **Deferred until next Sole Source Meeting - February 15, 2007**

CC: Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

From: Christine Smith
To: Alvarez, Margarita; Stark, Alan
Subject: Sole Source Meeting: **Voting Results:** Thursday, February 1, 2007

Department: Department of Water Management
Request Description: Preventative Maintenance Contract for Radioactivity
Counting Equipment
Contractor/Vendor: Gamma Products
Requested Award Amount: \$ 31,000.00
Requested Contract Terms 5 Years

Voting Results: **5-0 *Conditional Approval - Pending submission of the following:**

DWM to Submit Waiver Request

**DWM to submit contractor's Current Quote and Price List - which must
reflect NET 60 Day Payment Terms**

DWM to submit FMPS requisition

**Please submit your paperwork regarding *conditional approval* to,
Mark Hands, Managing Deputy Procurement Officer**

CC: Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

From: Christine Smith
To: Alvarez, Margarita; Saldana, Thomas; Stark, Alan
Subject: Sole Source Meeting: **Voting Results:** Thursday, February 1, 2007

Department: Department of Water Management - Microbiology Unit
Description Request: Steris Corporation
Requested Award Amount: \$ 9,847.14
Requested Contract Term(s) 3 Years

Voting Results: **Deferred until next Sole Source Meeting - February 15, 2007**

CC: Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

From: Christine Smith
To: Berman, Barry; Blank, Myer
Subject: Sole Source Meeting, **Voting Results:** Thursday, February 1, 2007

Department: Office of Budget & Management
Description of Request: Professional Services Agreement Financial Consulting
(Renewal Community & Veteran Affairs Assistance Program)
Contractor/Vendor: Unison-Maximus
Requested Award Amount: \$ 233,500
Requested Contract Terms: 1 Year

Voting Results: ***Denied - Subsequently denied OBM found another contract with Maximus that they can use for this service.**

CC: Hands, Mark; Santiago, Victoria; Simbler, Carol; Yerkes, Douglas

Christine Smith - Memos

From: Benjamin Ho
To: Smith, Christine
Date: 2/16/2007 1:44 PM
Subject: Memos

Chris,

Please print the memos on memo paper and prepare a signature packet for Comissioner and a copy for Doug. One of the memos will need to be signed by me first. The "Employee Departure Protocol" itself is an attachment to the CPO memo and should not be on memo paper.

Thanks,

Ben

Benjamin Ho
Deputy Procurement Officer
City of Chicago Department of Procurement Services
312-744-4921
benjamin.ho@cityofchicago.org