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

JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

COMPLETE THIS SECTION IF NEW CONTRACT, TERM AGREEMENT OR PURCHASE ORDER.

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

Bay Shipbuilding

Request that negotiations be conducted only with Company for the product and/or services described herein.

Name of Person or Firm

This is a request for: X (One-Time Contractor P.O. per Requisition # copy attached) or ____ Term Agreement or ____ Delegate Agency (Check one). If Delegate Agency, this request is for “blanket approval” of all contracts within the (Attach List) Pre-Assigned Specification No. (Program, Name) 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 #: ____________________________ Company or Agency Name: ____________________________

Specification #: ____________________________ Contract or Program Description: ____________________________

Mod #: ____________________________ (Attach List, if multiple)

Mark F. O'Malley 312-744-3700
Originator Name Telephone

WATER MANAGEMENT May 03rd, 200
Department Date

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

(X ) PROCUREMENT HISTORY Bay Shipbuilding Company performed previous five year dry dock inspections concerning the Chicago Department of Water Management Tugboat, James J Versluis in 1998 and 2003.

(X ) ESTIMATED COST $250,000.00

(X ) SCHEDULE REQUIREMENTS The Department of Water Management, Bureau of Water Supply would like to commence with this contract on September 01st 2008.

(X ) EXCLUSIVE OR UNIQUE CAPABILITY See attached memo from Bureau of Water Supply justifying the need to sole source.

( ) OTHER

APPROVED BY: ____________________________ DATE: 5/1/07

DEPARTMENT HEAD OR DESIGNEE

APPROVED ____________________________ DATE: 7/7/07

BOARD CHAIRPERSON
<table>
<thead>
<tr>
<th><strong>Department:</strong></th>
<th>Department of Water Management</th>
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</thead>
<tbody>
<tr>
<td><strong>Description of Request:</strong></td>
<td>Tug Boat Maintenance, Parts and Repair Services</td>
</tr>
<tr>
<td><strong>Vendor/Contractor:</strong></td>
<td>Bay Shipbuilding Company</td>
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<tr>
<td><strong>Requisition #:</strong></td>
<td><strong>34769</strong></td>
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<tr>
<td><strong>Requested Award Amount:</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td><strong>Contract Terms:</strong></td>
<td>1 Shot</td>
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<tr>
<td><strong>Voting Results:</strong></td>
<td>5-0 Approved</td>
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<tr>
<td><strong>ASSIGNED:</strong></td>
<td>Work Services – Larry Washington</td>
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<tr>
<td><strong>Conditional Approval:</strong></td>
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SCOPE OF SERVICES

The Contractor must provide Shipyards Services for repair work (not rehabilitation work to like new condition) necessary to comply with the American Bureau of Shipping (ABS) standards, and in accordance with, but not limited to these Detailed Specifications.

A. Project Description

The description of the Project described herein is intended to be general in nature and is not be construed to be a complete description of the Project or a limitation on the Services to be provided hereunder.

B. Role of the Contractor in the Project

The Contractor must provide Shipyards Services for repair work (not rehabilitation work to like new condition) necessary to comply with the American Bureau of Shipping (ABS) standards, and in accordance with, but not limited to these Detailed Specifications.

The Contractor hereby warrants and represents that it understands its intended role as set forth herein and assumes all responsibilities thereunder by its execution of this Contract. The Contractor further warrants and represents to cooperate in the performance of its Services hereunder with the City, including without limitation its officials, employees, agents, and all other interested parties.

C. Role of the City in the Project

The City, acting through its officials, employees and other agents, will retain final authority with regard to all Project related decisions.

STANDARD OF PERFORMANCE

The Contractor must perform the Services required of it under the terms and conditions of this Contract with that degree of skill, care, and diligence normally exercised by professionals performing these types of Services in projects of a scope and magnitude comparable to the Project described herein.

The Contractor must be responsible for the work the Contractor has agreed to perform. The Contractor must use its reasonable efforts to provide timely and satisfactory completion of such work. The Contractor must act in the best interest of the City, consistent with the professional and fiduciary obligations assumed by it in entering into this Contract. The Contractor must perform the repair and installation work as described in Exhibit 1. The Contractor will not be liable for any components, which have been provided by City personnel. The Contractor will not be liable for or be responsible for any pre-
existing physical condition of any component of the tug James J. Versluis which may exist and which is not to be repaired, however the Contractor will be responsible for his workmanship and for those components which he has repaired.

The Contractor, in executing this Contract, accepts the relationship of trust and confidence established between it and the City by this Contract. The Contractor covenants with the City to furnish its best skill and judgment and to cooperate with the officials, employees, and agents of the City in furthering the interests of the City.

The Contractor agrees to furnish efficient business administration and superintendence and to use its reasonable efforts to complete the Work in an expeditious and economical manner consistent with American Bureau of Shipping (ABS) standards, the ship repair industry standards, and the interests of the City.

The Contractor must perform or cause to be performed all Services required by this Contract. All Services performed and materials provided by the Contractor must conform with all established rules, regulations, and requirements of the ABS and the United States Coast Guard.

In the event the Contractor fails to comply with the above referenced standards, the Contractor must perform again, at its own expense, any and all of the Work which is required to be re-performed as a direct or indirect result of such failure. Notwithstanding any review, approval, acceptance, or payment for any and all of the Services by the City, the Contractor must remain responsible for the professional and technical accuracy of all of the Services and Deliverables, as defined herein and furnished under this Contract, unless the technical inaccuracy or error was caused by inaccurate information being supplied by the City. This provision will in no way be considered as limiting the rights of the City against the Contractor either under this Contract, in law or in equity.
DESCRIPTION OF WORK

1. Dock and undock vessel to include block setting, handle lines to dock and undock and operate dock.

2. Docking Day

3. Lay days each (est. 3-weeks).

4. Services while in shipyard to include gangway, shore power, phone, garbage disposal and sewerage disposal.

5. Ultrasound testing of Hull.

6. Clean bilges for gas free to include power and pump off of oily water slopes.

7. Marine chemist services.

8. Megger readings where required.

9. Open and inspect sea valves to include sea chest screens.

10. Rudder bearing clearances without disassembly of rudders.

11. Remove rudder and replace pintle bearing.

12. Remove propeller blades.

13. Drain CP system and assist Bird Johnson representative with inspection of Hub and CP system.

14. Remove tail shaft and replace bearings (if required).

15. Tail shaft bearing clearances

16. Minor rehab of prop blades removed at dry-docking
17. Blast and paint underwater hull from top of Bulwarks to keel. Apply two (2) coats of epoxy and one (1) coat anti fouling to underwater hull. To include one (1) coat of finish blue to upper ship sides.

18. Replace main engine muffler.

19. Maintenance and repair of tugboats (incl. docking) – room and board for crew of four (4) for three (3) weeks.

20. Provide and install 110 volt electrical panel.


22. Open, inspect, and re-coat potable water tank.

23. Open and gas free four (4) fuel bunkers
April 19, 2007

SENT VIA FAX (312-742-1124) / MAIL

City of Chicago
Department of Water Management
1000 East Ohio Street
Chicago, Illinois 60611

Attention: Mark O’Malley
Dept. Head of Water Pumping Division

Subject: Tug JAMES J. VERSLUIS – Dry Docking

Gentlemen:

We have reviewed your fax dated April 9, 2007 requesting budgetary pricing for the subject vessel. We understand the need to drydock and inspect the hull is scheduled for Fall of 2008.

Our estimate as follows will be considered rough order of magnitude pricing at this time.

Drydock Tug JAMES J. VERSLUIS in Fall 2008, perform required ABS inspections and miscellaneous repairs per your outline. -------------------------- ROM $250,000

I hope this helps you plan and prepare your budget for this project.

Sincerely,

Todd J. Thayse
Director of Contract Services

TJT:na
June 5, 2007

**SENT VIA FAX: 312-747-7078**

City of Chicago  
Contract Coordinator – Dept. of Water Mgt.  
Jardine Purification Plant  
1000 East Ohio  
Chicago, Illinois 60611

Attention: Felicia Rawlings

Subject: Tug JAMES J. VERSLUIS  
Repair Contract

Gentlemen:

Bay Shipbuilding submits this letter in support of an exclusive contract for drydocking and repairs of the JAMES J. VERSLUIS.

The subject vessel was designed and constructed in Sturgeon Bay at the BSC facility. Drawings and calculations are readily available to support the drydocking, 5-year survey work and modifications as planned. We are also the closest full service shipyard on Lake Michigan with a full compliment of professional trades at your service. Bay Shipbuilding was an exclusive contractor to the City of Chicago in 2003 for the same project.

We respectfully request you consider and grant approval for an exclusive contract for the repair of the Tug JAMES J. VERSLUIS.

Sincerely,

[Signature]

Todd J. Thayse  
Manager of Contract Services

TJT:na
June 5, 2007

**SENT VIA FAX:** 312-747-7078

City of Chicago  
Contract Coordinator – Dept. of Water Mgt.  
Jardine Purification Plant  
1000 East Ohio  
Chicago, Illinois  60611

Attention:  Felicia Rawlings

Subject:  Waivers for Small Business & Women Owned

Gentlemen:

Per our discussion of last week regarding a sole source contract between the City of Chicago and Bay Shipbuilding, specifically for docking and repairs to the Tug JAMES J. VERSLUIJS, we offer the following.

The City of Chicago’s web assistance links were searched for certified/qualified/available “small business” and “women owned” businesses.

We ask for a full waiver of “small business” and “women owned” participation on this contract for the following reasons:

♦ The drydock, survey and repairs will take place at our Sturgeon Bay, Wisconsin facility, approximately a 5-hour drive from Chicago.
♦ Vessel surveys and repairs are very specialized fields. Workers and vendors are required to carry American Bureau of Shipping and United States Coast Guard Certification.
♦ In researching the list of companies certified as “small business” and “women owned” businesses, none appear to carry the expertise or certifications required to perform this work.
♦ The Tug JAMES J. VERSLUIJS was last dry-docked for survey at our facility in the Fall of 2003. A waiver was granted for that contract and the requirements for this contract are very similar.

Bay Shipbuilding looks forward to once again working with the City of Chicago on this important project. Feel free to call me with any questions you may have.

Sincerely,

[Signature]

Todd J. Thayse  
Director of Contract Services

TJT:na
MEMORANDUM

TO:       Barbara A. Lumpkin
Chief Procurement Officer
Department of Procurement Services

FROM:     John F. Spatz, Commissioner
Department of Water Management

SUBJECT:  Sole Source Procurement
DWM Tugboat, James J. Versluis,
American Bureau of Shipping – 5 Year Survey,
Dry Dock Maintenance and Repairs
Requisition Number - 34769

DATE:     August 30, 2007

The Department of Water Management, Bureau of Water Supply – Division of Pumping is requesting that Bay Shipbuilding Company, located in Sturgeon Bay Wisconsin, be awarded a sole source contract for the mandated 2008 survey, maintenance and repairs for the DWM’s Tugboat, James J. Versluis. Bay Shipbuilding Company originally constructed the Versluis in 1957 and has the original plans and specifications. Should another company be awarded this contract, plans and specifications would have to be forwarded in order for work to commence and security concerns would thereby be compromised.

In addition, if the Sole Source contract were awarded, the 2008 survey would be the third consecutive visit to Bay Shipbuilding where current staff are familiar with this vessel. Also, personnel have familiarity with the American Bureau of Shipping (ABS) standards, which guarantees that all work performed by Bay Shipbuilding is ABS compliant. They also have ABS inspectors on site, a full time security staff on site to ensure security, and Bay Shipbuilding is the closest full service shipyard to the City of Chicago. In the past, previous non-compliant work performed at DWM facilities had to be redone by the Bay Shipbuilding Company.

We would like to request your consideration for a sole source contract with Bay Shipbuilding Company for the September 2008 mandated ABS survey/inspection. We would also like to request that compliance requirements be processed as a Non-Stated Goals since tugboat survey, inspection/repairs are specialized fields and because the previous contract for the 2003 survey/inspection was granted a full waiver for similar services.

Thank you in advance for your immediate attention.
cc:  Julie Hernandez-Tomlin
     Beverly Ingram
     Dennis Leonardo
     Mark O'Malley
     Felicia L. Rawlings
     Doug Yerks
     Mark Hands
     Claude Humphrey
     Monica Cardenas
     File
# DPS PROJECT CHECKLIST

**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:** 08-31-2007
- **REQ No.:** 33769 (34769)
- **Specification No.:** (if known): 59743
- **PO No.:** (if known): 
- **Modification No.:** (if known): 
- **Project Description:** ONE SHOT SOLE SOURCE CONTRACT FOR TUG BOAT MAINTENANCE, PARTS and/or REPAIR SERVICES

**Contact Person:** Margarita Alvarez  
**Tel:** 747-1681  **Fax:** 747-7078  **E-mail:** malvarez@cityofchicago.org

**Project Manager:** Felicia Rawlings  
**Tel:** 745-0581  **Fax:**  **E-mail:** felicia.rawlings@cityofchicago.org

**Previous PO No.:** (if known): 

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

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*Estimated Value $250,000.00*

*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):

<table>
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<th>NEW REQUEST</th>
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<tr>
<td>☐ Blanket Agreement</td>
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<tr>
<td>☑ Standard Agreement</td>
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<td>☐ Small Orders</td>
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<th>MOD/AMENDMENT</th>
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<tr>
<td>☐ Time Extension</td>
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<td>☐ Vendor Limit Increase</td>
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<tr>
<td>☐ Scope Change/Price Increase/Additional Line Item(s)</td>
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<tr>
<td>☐ Other (specify):</td>
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</tbody>
</table>

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

**CONTRACT TERM:**
- Requested Term (number of months):