

JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT

COMPLETE THIS SECTION IF NEW CONTRACT

For contract(s) in this request, 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.

Request that negotiations be conducted only with ENFORCEMENT TECHNOLOGY INC for the product and/or services described herein.
 (Name of Person or Firm)

This is a request for (One-Time Contractor) Requisition # 20220 copy attached) or 5 yr 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)

STEVEN SAKAI
 Originator Name

7-3753
 Telephone

[Signature]
 Signature

REVENUE
 Department

JUNE 12, 2006
 Date

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

<input type="checkbox"/> PROCUREMENT HISTORY PLEASE SEE ATTACHED	S. S. R. B. DATE _____ APPROVED _____
<input type="checkbox"/> ESTIMATED COST PLEASE SEE ATTACHED	CONDITIONALLY APPROVED _____ APPROVED _____
<input type="checkbox"/> SCHEDULE REQUIREMENTS PLEASE SEE ATTACHED	RETURN TO DEPT _____ DISAPPROVED _____
<input type="checkbox"/> EXCLUSIVE OR UNIQUE CAPABILITY PLEASE SEE ATTACHED	
<input type="checkbox"/> OTHER PLEASE SEE ATTACHED	

APPROVED BY: _____
 DEPARTMENT HEAD
 OR DESIGNEE

DATE _____

[Signature]
 BOARD CHAIRPERSON

DATE _____

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.

This is a full-service maintenance agreement requirement, needed for the ongoing repairs to hardware and software components of mobile handheld PCs, specifically designed for use by the Department of Revenue's parking enforcement aides for the purpose of issuing parking tickets, scoffloa violators (boot-eligible vehicles) and stolen vehicle information. These mobile handheld units are called "AutoCites". The AutoCites interface with CANVAS (the Department of Revenue parking database), exchanging booting and other parking-related data to and from the CANVAS system.

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 continuation of two previous sole source contracts (which first began on July 1, 1996) with the same vendor. The hardware, software, and service provisions were originally customized, designed, and purchased from Enforcement Technology, Inc., to meet the Department of Revenue's exact specifications and operating procedures. The latest contract (T26521) expired on October 20, 2005, with no remaining extension options. A new sole source contract is again required – for the continuation of hardware and software maintenance and software upgrades. During the interim period, some delays hindered a continuation of an extension contract, until now. Enforcement Technology, Inc. was purchased by Reino Solutions, and MBE/WBE compliance efforts were finally completed, and the sole source request is now being submitted.

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

Because this is a proprietary hardware and software piece of equipment protected under United States copyright laws, the maintenance and repair parts for these units are derived solely from its manufacturer.

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.)

Same as 3, above.

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

The Department of Revenue is issuing a new RFP in an effort to receive proposals from other mobile handheld PC manufacturers with similarly functioning products and software. However, Department of Revenue's current inventory of mobile handhelds still require maintenance support until the RFP process is successfully completed. If the RFP results in a new contract for newer hardware and software, then the current set of AutoCites could still be used by other departments having ticket-issuing authority (like the Police).

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

See 5, above.

ESTIMATED COST

1. What is the estimated cost for this requirement (or for each contract, if multiple awards contemplated)?
\$77,580 per 12-month period. For a 5-year contract, the cost is approximately \$400,000.
2. What is the funding source?
Department of Revenue's Corporate funding strip is: 006-100-294679-0162-220162.
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 estimate is based on the attached quote from *Enforcement Technology, Inc.*
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.
Not applicable.
5. Describe cost savings or other measurable benefits to the City which may be achieved.
The mobile handheld units are essential tools used in the arsenal for overseeing parking compliance and citation issuance responsibilities required by the Department of Revenue.
6. Explain what negotiations of price have occurred or will occur.
No price negotiations have taken place or are currently planned.
7. Detail why the estimated cost is deemed reasonable.
Typically, as equipment ages, the cost for maintenance increases. For example, the cost for the maintenance agreement during 2000-2004 was \$44,000 per year. During 2005-2006 the cost is \$55,100.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.
N/A
2. Is lack of drawings and/or specifications a constraining factor to competitive bidding?
N/A
3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.
Maintenance is a continuous requirement.
4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs, and budgeted funds.
The Department of Procurement Services is currently in the process of developing a new RFP for replacement mobile handheld units. While the RFP is in process, the request for a continuation of services is being met through this non-competitive procurement process.

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.
N/A
2. Attach copy of cost proposal and scope of services.
Please see attached.
3. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
Yes, in terms of the hardware and software being proprietary in nature.

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?
Hardware and software are proprietary.
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?
Intellectual knowledge, parts, testing and repair equipment, tools, etc, for the AutoCite hardware and software are used to detect fault and repair the proprietary elements of the AutoCite units.
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?
The Department of Revenue operations division has been working with this particular vendor for service to the AutoCite equipment since 1996, so the history of the equipment is uniquely known.
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.
No equipment is being purchased; only full-service maintenance and repair services.
8. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data?
Yes - proprietary hardware and software equipment protected under United States copyright laws are not licensed to any other vendor known to the Department of Revenue.
9. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from another source.

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

If so, attach letter from manufacturer.

Please see attached "AutoCITE and AutoPROCESS Software and Firmware User License Agreement".

OTHER

1. Explain other related considerations and attach all applicable supporting documents (e.g. (ITSC) Information Technology Strategy Committee approval forms, etc.).
ITSC form attached.
2. Explain what opportunities of direct/indirect involvement of MBEs and WBEs have been discussed and/or are available in this contract.
Please find a full-waiver request and documentation of compliance efforts, and waiver concurrence memo from the Director of the Department of Revenue.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE COMPUTER EXPENDITURES/SERVICES REVIEW FORM

Department requests for hardware/software and consulting services must be submitted to the Commissioner of Business and Information Services for review and approval prior to procurement of goods and/or services.

REVENUE
Department Name

AUTOCITE HANDHELD - MAINTENANCE CONTRACT
Program Name

0 6 / 1 2 / 0 6

Date request was initiated

Justification: Describe in detail; where products should shipped, PC imaging (if any), and why products or services needed.

The Autocite handheld PC units is a single-piece unit (processor and printer) used by parking enforcement personnel to issue parking violation citations and boot-eligible vehicle data. This data interfaces with CANVAS, exchanging and refreshing booting and other parking related data to and from CANVAS on a daily basis. This request is for the on-going maintenance and repair to the hardware and software of the Autocite units.

Requests will not be processed without valid funding strip.

FY	FUND	DEPT	ORGN	APPR	OBJT	ACTV	RPTG (Grants Only)	PROJECT # (Enotes Only)
06	100	29	4675	0162	0162			

Funding Strip

STEVEN SAKAI

Originator's Name (Please Print)

7 4 7 - 3 7 5 3

Originator's Phone Number

Contracts Coordinator

Originator's Job Title

[Signature]
ITSC Signature

APPROVALS

[Signature]
Department Head Signature (No Substitutes)

Commissioner of BIS Signature

/ /

ITS Committee Approval/Disapprove Date

(Assigned By BIS)

/ / / / / /

ITS Committee #

/ / / / / / / / / / / / / / / /

PG# For Order

ENFORCEMENT TECHNOLOGY, INC.

4129 Avenida De La Plata
Oceanside, CA 92056
(760) 945-9893 • Fax (760) 945-5815



AutoCITE and AutoPROCESS SOFTWARE AND FIRMWARE USER LICENSE AGREEMENT

Rev. D

The firmware provided with the **AutoCITE** handheld computers and the **AutoISSUE** and **AutoPROCESS** host software installed on the PC and/or Server systems are proprietary products of *Enforcement Technology, Inc.*, (**ETEC**) and protected under United States copyright laws. Therefore you must treat these firmware and software products accordingly.

The firmware and software contained within the **AutoCITE** computer is not to be copied or reproduced in any form for any reason. The software provided for installation on your PC and/or Server systems (**AutoISSUE** and **AutoPROCESS** host systems) may be copied for archival purposes only and may not be used on more central processing units (CPU) concurrently, than the number of purchased licenses, without prior written approval from **ETEC**. These licenses are for the sole use of the purchasing agency and cannot be used by or for any other agency or department without prior written approval by **ETEC**. This firmware or software can not be provided to any other unlicensed user, under any circumstances.

In the event of loss, misplacement or damage of the original software or archive copies, **ETEC** will provide an additional copy upon request, at an appropriate cost for **ETEC** time and materials to produce and deliver such copy.

Any misuse, tampering, attempts to open the **AutoCITE** handheld computer, or copying the **AutoCITE**, **AutoISSUE** or **AutoPROCESS** firmware or software, or any other reproductions not specifically authorized by **ETEC**, will violate and void this agreement.

ETEC is not and cannot be responsible for the installation, maintenance or any type of support for the MS WINDOWS Operating Systems, ORACLE Data Base Server software or any other third party software or hardware.

ETEC shall not in any case be liable for special, incidental, consequential, indirect or direct costs, including but not limited to, those incurred as a result of loss of profits or revenue, loss of use of any computer program, loss of data, costs for recreating data, and the costs of any substitute programs or for other similar costs.

City or Agency Representative:

Enforcement Technology, Inc.:

Steven D. Borso

for

Name:

Name: Steven D. Borso

Title:

Title: Engineering Director

Date:

Date: 7/28/05

ENFORCEMENT TECHNOLOGY, INC.

4129 Avenida De La Plata
Oceanside, CA 92056
(760) 945-9893 • Fax (760) 945-5815



AutoCITE, AutoISSUE and AutoPROCESS ANNUAL MAINTENANCE AGREEMENT REV. E

Enforcement Technology, Inc. (ETEC) offers a unique Maintenance Agreement, beyond the one-year warranty period, with every AutoCITE hand-held computer, AutoISSUE and/or AutoPROCESS System purchased. This agreement is offered as an additional service to our customers to provide the most trouble-free, efficient, cost-effective maintenance for the AutoCITE Systems. This agreement provides the following features:

1. GUARANTEED REPLACEMENT COMPUTERS

Guaranteed replacement computers for all models currently manufactured by ETEC, upon request, within three working days, are provided at no cost while any repair work is being completed at *Enforcement Technology, Inc.* on any ETEC-manufactured unit requiring repair. Whenever a hand-held computer requires repair, it is the responsibility of the customer to do two things: 1) you must place a call to the engineering service center to get verbal consultation on the problem. 2) If it is deemed necessary to send the unit to ETEC for repair, a Return Material Authorization (RMA) number must be issued by the *Enforcement Technology Engineering Service Center*. *Failure to obtain an RMA number will hinder the turnaround time of the repaired unit.* Then the unit should be shipped from the customer to:

**Enforcement Technology, Inc.
4129 Avenida De La Plata
Oceanside, CA 92056
(760) 945-9893**

That unit should be sent SECOND DAY AIR, referencing the RMA number on the outside of the shipping carton. Upon request, a loaner unit will be sent by the same method to the customer. Return of the loaner unit must also be made via SECOND DAY AIR as soon as your unit is repaired and returned. The customer is responsible for all shipments, including those costs from their facility to the Engineering Service Center.

2. PRIORITY BASIS REPAIRS

Insures a priority basis for any repair work required. *Enforcement Technology* will repair (or replace it at our discretion) any unit and return it within two weeks from the time it was received.

3. SOFTWARE UPGRADES

After the customer purchases the system, including purchases of other systems for later expansion, subsequent software enhancements installed at *Enforcement Technology's* discretion to repair a problem or correct system operation, will be provided at no additional cost, as long as the warranty period or annual maintenance period has not expired. *Enforcement Technology* does not normally institute changes in existing versions of AutoCITE, AutoISSUE, and AutoPROCESS to correct problems unless it is the most expedient solution to a problem. Rather, we will provide the latest released version of software compatible with the customer's computer and network environment to remedy any problem. It is ETEC's sole discretion as to which version of firmware or software will be installed, as long as all functionality of the customers purchased modules is maintained.

ENFORCEMENT TECHNOLOGY, INC.

4129 Avenida De La Plata
Oceanside, CA 92056
(760) 945-9893 • Fax (760) 945-5815



AutoCITE, AutoISSUE and AutoPROCESS ANNUAL MAINTENANCE AGREEMENT REV. E

4. CUSTOMER INITIATED CHANGES REQUIRING UPGRADES

In the event a customer requests or requires a software upgrade due to changes in their operating environment, such as but not limited to, changing their operating system or network software or installing new PC hardware, that results in ETEC software incompatibility or inoperability, the customer will be charged for the engineering time, at our current hourly rate, to restore the ETEC software to a functional state. If ETEC decides it is most expedient to upgrade the software to the a newer version the customer will not be charged for the newer software but will still be responsible for the engineering time required to make the customer's ETEC software operate correctly.

5. EQUIPMENT FROM OTHER MANUFACTURERS

If the customer purchases IBM or other compatible equipment to be used as the **AutoISSUE** and/or **AutoPROCESS** Host Computer, through **ETEC** or elsewhere, then the original manufacturer must provide warranties and maintenance of such equipment. If these Computer System are leased through **ETEC**, or elsewhere, the warranty and maintenance of the host computer will be provided by the original equipment manufacturer, *not by ETEC*. **ETEC** will provide consultation and recommendations on corrective actions, which may be necessary.

6. EXCLUSIONS

The original warranty, this maintenance agreement, and any other annual maintenance agreement shall become invalid if the product hardware or software is or has been abused, misused or altered. The original warranty and this maintenance agreement does not cover damage, *including broken displays or touch panels*, due to abuse, neglect, mishandling or improper use. Remote access to the **AutoISSUE** and/or **AutoPROCESS** PC, via the Internet using PCAnywhere, must be available to **Enforcement Technology** technical staff in order for the warranty and maintenance agreements to be valid. First response under this agreement will be via the Internet. If the problem cannot be resolved, by telephone or returning the failed component for repair, a customer service representative will respond to the customer site. If our diagnosis of a malfunction of the system indicates the problem is caused by hardware or software not under our warranty or maintenance agreements, such as, but not limited to, the customer hardware which may be running our system or other hardware or software of the customer operating on the same system as our hardware and software, the customer will be billed for travel expenses and labor at our current hourly rate, plus materials, for our diagnosis and investigation of the malfunction.

Paper products used in the **AutoCITE**, which were not provided through **ETEC**, are not supported either under warranty or under this agreement. Paper defects or disruption of normal use due to such defects or problems will not be the responsibility of **ETEC**. *Use of paper products not supplied by ETEC, or not adhering to our paper specifications may invalidate this agreement.*

If the Warranty or any Annual Maintenance Agreement on any hardware or software has expired, an additional checkout fee will be charged before approval and issue of a new service contract.

ENFORCEMENT TECHNOLOGY, INC.

4129 Avenida De La Plata
Oceanside, CA 92056
(760) 945-9893 • Fax (760) 945-5815



**AutoCITE, AutoISSUE and AutoPROCESS ANNUAL MAINTENANCE AGREEMENT
REV. E**

ETEC is not and cannot be responsible for the installation, maintenance or any type of support for the MS WINDOWS Operating Systems, ORACLE Data Base Server software or any other third party software or hardware.

7. NORMAL USAGE

The customer agrees not to alter the System components in any manner and agrees to operate them under normal working conditions. If any hardware components should be damaged, while in the possession of the customer by other than normal usage, the repair cost will be a maximum of \$1,995.00 (for major damage) per unit damaged. If any hardware component should be lost, stolen, or damaged beyond repair, the total replacement cost shall be the original purchase price of the equipment (Example: **AutoCITE** Model Series 3 = \$3,200).

This maintenance agreement is the yearly maintenance contract which is being offered to you as a continuation of the original one-year warranty that was included as part of the purchase price. It can be extended each year, or renewed, for a small additional cost, and the execution of a new maintenance agreement each year. The attached schedule shows the coverage period and the cost of this agreement for the coming 12-month period. To avoid repair cost and keep your system under maintenance protection, please include your check for the indicated amount and execute this maintenance agreement by signing and returning a copy with your check.

City or Agency Representative:

Name:

Title:

Date:

Agency:

Enforcement Technology, Inc.:

Steve D. Borso

for
Name: Steve D. Borso

Title: Engineering Director

Date: 7/28/05

Annual

City of Chicago
Period to Be Covered By This Maintenance Agreement
From: 11/01/05 To: 10/31/06

Articles Covered by Agreement

Serial Number(s) for 01T35

10263	10296	10297	10298	10299	10300	10301	10302	10304
10305	10306	10307	10308	10321	10449	10622	10623	10627
10635	10653	10669	10670	10672	10679	10686	10696	10697
10698	10699	10700	10701	10702	10703	10704	10705	10706
10707	10708	10709	10710	10711	10712	10713	10714	10715
10716	10717	10719	10720	10721	10722	10723	10724	10725

Maintenance fee each	\$400.00
Quantity	54
Sub Total	\$21600.00

Serial Number(s) for WDPMST

857

Maintenance fee each	\$30.00
Quantity	1
Sub Total	\$30.00

Serial Number(s) for WDPSLV

865

Maintenance fee each	\$30.00
Quantity	1
Sub Total	\$30.00

Serial Number(s) for WPSLV

861 869

Maintenance fee each	\$30.00
Quantity	2
Sub Total	\$60.00

Serial Number(s) for WSLV

1009	858	859	860	862	863	864	866	867
868	870	871						

Maintenance fee each	\$30.00
Quantity	12
Sub Total	\$360.00

AutoISSUE Software

Sub Total \$400.00

Total *AK 8-1-05*

[Signatures]

\$22,480.00

[MORE...]

Period to Be Covered By This Maintenance Agreement

From: 11/01/05 To: 10/31/06

Articles Covered by Agreement

**The annual maintenance fees are the current fees and are good for the term of this agreement (12 months). Maintenance fees are subject to increase without notice and the next renewal of the annual agreement would be adjusted according to the new fees.*

City of Chicago II
 Period to Be Covered By This Maintenance Agreement
 From: 11/01/05 To: 10/31/06

Articles Covered by Agreement

Serial Number(s) for 16T5

50002	50003	50004	50005	50006	50007	50008	50009	50010
50011	50012	50013	50014	50015	50016	50017	50018	50019
50020	50021	50022	50023	50024	50025	50026	50027	50028
50029	50030	50031	50032	50033	50034	50035	50036	50038
50039	50040	50041	50042	50043	50044	50045	50046	50047
50048	50049	50050	50052	50053	50054	50055	50056	50057
50058	50059	50060	50061	50062	50063	50064	50065	50066
50067	50068	50069	50070	50071	50072	50073	50074	50075
50076	50078	50079	50080	50081	50082	50083	50084	50085
50086	50087	50088	50089	50091	50092	50093	50094	50095
50096	50097	50098	50099	50100	50101	50102	50103	50104
50105	50106	50107	50108	50109	50110	50111	50112	50113
50114	50115	50116	50117	50118	50119	50120	50121	50122
50123	50124	50125	50128	50129	50130	50131	50132	50133
50135	50136	50137	50138	50139	50140	50141		

<i>Maintenance fee each</i>	\$400.00
<i>Quantity</i>	133
<i>Sub Total</i>	<u>\$53200.00</u>

Serial Number(s) for WDPM6

1237	2011	2019	2069
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<i>Maintenance fee each</i>	\$30.00
<i>Quantity</i>	4
<i>Sub Total</i>	<u>\$120.00</u>

Serial Number(s) for WDPS6

2077

<i>Maintenance fee each</i>	\$30.00
<i>Quantity</i>	1
<i>Sub Total</i>	<u>\$30.00</u>

Serial Number(s) for WPM6

1242	1258	2007	2065	2522
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<i>Maintenance fee each</i>	\$30.00
<i>Quantity</i>	5
<i>Sub Total</i>	<u>\$150.00</u>

Serial Number(s) for WPS6

1241	2015	2023	2073
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<i>Maintenance fee each</i>	\$30.00
<i>Quantity</i>	4
<i>Sub Total</i>	<u>\$120.00</u>

[MORE...]

City of Chicago II
 Period to Be Covered By This Maintenance Agreement
 From: 11/01/05 To: 10/31/06

Articles Covered by Agreement

Serial Number(s) for WSLV6

1238	1239	1240	1243	1244	1245	1259	1260	1261
2008	2009	2010	2012	2013	2014	2016	2017	2018
2020	2021	2022	2066	2067	2068	2070	2071	2072
2074	2075	2076	2078	2079	2080	2523	2524	2525

Maintenance fee each	\$30.00
Quantity	36
Sub Total	<u>\$1080.00</u>

AutoISSUE Software	Sub Total	\$400.00
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Total ===== **\$55,100.00**

}

}

**The annual maintenance fees are the current fees and are good for the term of this agreement (12 months). Maintenance fees are subject to increase without notice and the next renewal of the annual agreement would be adjusted according to the new fees.*

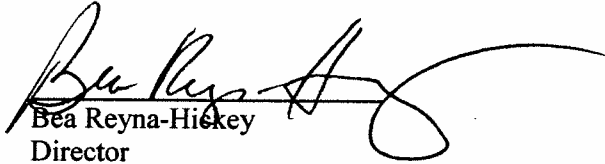


DEPARTMENT OF REVENUE

MEMORANDUM

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

FROM:


Bea Reyna-Hickey
Director

DATE: June 12, 2006

SUBJECT: **MBE/WBE WAIVER CONCURRENCE**
Vendor: *Enforcement Technology, Inc.*
Contract Title: **AutoCite Handheld PC Maintenance Agreement**
Estimated Contract Value: \$80,00 per year (\$400,000 for 5-years)
Requisition No.: 28220
Specification No.: 48090

This memo is written to support the request for a full waiver to be granted to *Enforcement Technology, Inc.* Due to the proprietary nature of this contract and the limited opportunities for meaningful subcontracting work, I concur with *Enforcement Technology's* request for a full waiver from the MBE and WBE compliance requirements.

The services provided by *Enforcement Technology* indirectly supports the Department of Revenue's booting and parking ticket issuance operation personnel, through the use of *Enforcement Technology's* mobile handheld computers, called "AutoCites". *Enforcement Technology* provides the maintenance and repair of the proprietary AutoCite hardware and software.

Enforcement Technology is a relatively small services company with about sixty full-time employees, located in Irvine, California. Their operations are primarily hardware and software engineering related so they tried to achieve a meaningful business relationship with relevant certified MBEs and WBEs. Their efforts towards MBE or WBE participation are documented as attached. Because of their location and opportunities for meaningful or practical subcontracting opportunities with a Chicago-based MBE or WBE are limited a full waiver is being requested.



Please grant, therefore, a full waiver for this particular contract, and contact Steve Sakai, Contracts Coordinator, at 747-3753, or Phillip Cobb, Deputy Director of Finance and Administration, at 747-2108, if any further information is required.

Thank you for this consideration.

BRH:sys

cc: Yusuf Umar, Department of Revenue
Phillip Cobb, Department of Revenue
Mark Galvan, Department of Revenue
Steven Sakai, Department of Revenue

ENFORCEMENT TECHNOLOGY, INC.

May 24, 2006

Sent via FedEx



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

Subject: Request for Waiver of MBE/WBE Commitment Goals

Dear Mr. Sakai:

Enforcement Technology, Inc. (ETEC) manufactures, assembles and maintains handheld citation devices for the City of Chicago. Our administrative offices are located in Irvine, California and our technical facility is in Oceanside, California. We have approximately sixty full-time employees between the two locations.

Following review of the specifications for the above mentioned contract, we met internally to identify potential areas for subcontracting goods and services to Minority and/or Women's Business Enterprise firms in the City of Chicago. Attached is a spreadsheet listing those categories of direct materials that were recognized as potential areas for Minority and/or Women's Business Enterprise participation. Also listed are other areas of indirect participation that were identified. The worksheet documents each specialty area, contact, firm name, as well as the address, phone number, date and method of contact. The comments section shows which companies responded and the result.

Each letter that was written requesting a quotation is attached as backup along with a copy of the metered envelope. For all products or services, even those where there were no matches from the City's website for approved MBE/WBE firms, we have attached a screen print showing the search performed.

We contacted ten office supply companies with a list of various office supplies upon which to quote. We received one quote from Merchandise Distributors KW Inc., which was not competitive when compared to our current office supplier's prices and ability to provide service in California.

We contacted five courier services. Upon making follow-up phone calls we were told by all five companies that they are unable to provide service in California.

ENFORCEMENT TECHNOLOGY, INC.



Three shipping supply companies were contacted with a list of shipping materials we purchase on a regular basis. Our follow-up phone calls ensured the request for quotes were received, but no quotes were sent to us.

Lastly, twenty-one electronic component suppliers were contacted with a list of the specific parts we use on the handheld citation devices we are contracted to maintain for the City of Chicago. One of the suppliers, Bearings & Industrial Supply Company, requested and was provided a list of manufacturers of the components; however, they did not send a quote to ETEC.

All forty-two vendors were sent letters via US Mail and contacted five days later via a phone call. Every effort was made to ensure that the request for quotes were received and in the appropriate hands. In a few instances, we faxed the letters to the vendors upon request. We also made it clear that we were available should they have any questions.

Although the City of Chicago only requires us to contact one assist agency, in an effort to be thorough we contacted two. The letters were sent to the Chicago Minority Business Development Council and the National Association of Women Business Owners via FedEx on Monday, May 1, 2006. Per your requirements, we waited the full ten days for a reply, but none was forthcoming.

A hard copy of all of the above-mentioned correspondence is enclosed for your review. We have also scanned all of these documents and can email you an electronic copy if you prefer. Please contact my assistant, Taylor Robustelli, at taylor.robustelli@reinosloutions.com and she will be happy to send you the file.

ETEC has made a diligent and good faith effort to find MBE/WBE vendors in the City of Chicago who would be able to supply us with either direct or indirect materials or services. Unfortunately, we were unsuccessful in our efforts to conform to your contractual requirements.

We respectfully request a waiver from the 16.9% MBE and 4.5% WBE contract goals for our current contract with the City of Chicago and opportunities that become available in the future. Please contact me at 414-847-3779 with any questions you may have.

Sincerely,

Jim Haugslund
Senior Vice President, Sales
Enforcement Technology, Inc.
28 Hammond, Suite C
Irvine, CA 92618

JH/tr

Enclosed



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>

June 12, 2006

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

06 JUN 12 PM 2:52

Subject:	New / "Roll-Over" Non-Competitive Procurement Contract Request
Vendor:	<i>Enforcement Technology, Inc.</i>
Title:	<i>AutoCite Handheld PC Maintenance Agreement</i>
RX No.:	28220
Spec. No.:	48090
Estm. Value:	\$400,000 for a 5-year period.

Dear Ms. Lumpkin:

The Department of Revenue requests a new/"roll-over" non-competitive procurement contract with **Enforcement Technology, Inc.**, for an: *AutoCite Handheld PC Maintenance Agreement*. The former contract for these services with *Enforcement Technology, Inc.* (PO# T26521) expired on October 31, 2005. (There are no extension options remaining.)

Attached please find the Project Checklist, RX 28220, a non-competitive procurement justification form and related documents, an MBEWBE full-waiver request memo, and a hardcopy of the current Scope of Services (the maintenance agreement itself).

If you would like further information, please contact Steve Sakai, Contract Coordinator, at 747-3753; or Mark Galvan, Fiscal Administrator, at 747-2254.

Very truly yours,

Bea Reyna-Hickey
Director

Attachments
BRH:sys

cc: John O'Brien – Department of Procurement Services
Yusuf Umar – Department of Revenue
Mark Galvan – Department of Revenue
Steven 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. LAGALLE STREET, CHICAGO, ILLINOIS 60602.

GENERAL INFORMATION:

Date: JUNE 12, 2006
 REQ No.: 28220
 Specification No.: 48090
 PO No.: (if known):
 Modification No.: (if known):
 Project Description: AUTOCITE HANDHELD PC MAINTENANCE AGREEMENT

Contact Person: STEVEN SAKAI
 Tel: 7-3753 Fax: 7-7420 E-mail: DR 00048
 Project Manager: YUSUF UMAR
 Tel: 2-6974 Fax: 645-0811 E-mail: DR 00326
 Previous PO No. (if known): T26521

FUNDING:

City: Corporate Bond Entorprice 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
	<u>06</u>	<u>100</u>	<u>29</u>	<u>4675</u>	<u>0162</u>	<u>0162</u>				<u>5400,000</u>

*IF GRANT FUNDED, A COPY OF THE APPROVED GRANT AND APPLICATION ARE REQUIRED and any other Terms and Conditions that may apply. Estimated Value \$ 400,000 for 5 yrs

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 Approval Non-Competitive Review Board (NCRB)

CONTRACT TERM: 5 yr Requested Term (number of months): 12 + 48

PRE BID/SUBMITTAL REQUIREMENTS:

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

DPS PROJECT SUPPLEMENTAL CHECKLIST

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 DGS? Yes No
Attach copy of DGS 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

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 of Amendment request, please verify and provide the following:

Contractor's Name: **ENFORCEMENT TECHNOLOGY, INC.**

Contractor's Address: **28 HAMMOND - SUITE C
IRVINE CA 92618**

Contractor's e-mail Address: **michael.roe@reinosolutions.com**

Contractor's Phone Number: **949.707.3832**

Contractor's Contact Person: **Michael Roe (corporate)**

Steve Barso (operations: 760.945.9893)

**CITY OF CHICAGO
 PURCHASE REQUISITION**

Copy (Department)

DELIVER TO: 029-4670 ST. OPS. 2735 N. ASHLAND AVE. Chicago, IL 60614	REQUISITION: 28220 PAGE: 1 DEPARTMENT: 29 - DEPARTMENT OF REVENUE PREPARER: Steven Y Sakai NEEDED: 7/1/2006 APPROVED: 6/9/2006
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REQUISITION DESCRIPTION

New (roll-over) sole source contract with Enforcement Technologies, for AutoCite handheld maintenance.
 SPECIFICATION NUMBER: 48090

COMMODITY INFORMATION

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST
1	68034.02 AutoCite handheld computer maintenace agreement	1.00	USD	1.00	1.00

SUGGESTED VENDOR:

REQUESTED BY: Steven Y Sakai

DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	006	0100	0294675	0162	220162	0000	00000000	000000	00000	0000	1.00
LINE TOTAL:											1.00

REQUISITION TOTAL: 1.00