

**JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT**

**COMPLETE THIS SECTION IF NEW CONTRACT**

DATE: January 23, 2009

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 Signature Flight Support for the product and/or services described herein.

(Name of Person or Firm)

This is a request for  (One-Time Contractor Requisition # \_\_\_\_\_ copy attached) or 5 year 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. \_\_\_\_\_

S. S. R. B.  
 DATE 03/03/09  
 APPROVED 5-0  
 CONDITIONALLY APPROVED  
 RETURN TO DEPT.  
 DISAPPROVED

**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)

Michele T. Gamble

2-3098

Michele T. Gamble

Fleet Management

January 23, 2009

Originator Name

Telephone

Signature

Department

Date

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

( ) **PROCUREMENT HISTORY:** See attached memo.

( ) **ESTIMATED COST** It is anticipated that there will be an estimated 70,000 gallons of fuel purchased. The estimated expenditure is in the amount \$ 1,242,780.00 for 5 year period which includes estimated discount and federal excise taxes associated with the Jet fuel purchase for (2) Helicopters.

( ) **SCHEDULE REQUIREMENTS** Immediate service is needed for the fire department emergency service helicopters.

( ) **EXCLUSIVE OR UNIQUE CAPABILITY** Signature Flight support is the only Fuel Based Operator (FBO) that maintains a leasing agreement at both locations (O'Hare and Midway Airport) capable of providing 24/7 support. Millionaire and Atlantic Coast have made a business decision not to provide service at O'Hare International airport.

( ) **OTHER**

APPROVED BY:

Howard Jones 1/23/09  
 DEPARTMENT HEAD OR DESIGNEE DATE

[Signature] 03/03/09  
 BOARD CHAIRPERSON DATE

Montel M. Gayles 3-4-9  
 MONTEL M. GAYLES

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

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

### **PROCUREMENT HISTORY**

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

### **ESTIMATED COST**

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

### **SCHEDULE REQUIREMENTS**

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

### **EXCLUSIVE OR UNIQUE CAPABILITY**

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

### **MBE/WBE COMPLIANCE PLAN**

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

### **OTHER**

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

### **REVIEW AND APPROVAL**

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

# 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 15, 2009  
 REQ No.: 41457

Contact Person: Michele T. Gamble  
 Tel: 4-1228 Fax: 4-2799 E-mail:michele.gamble@cityofchicago.org

PO No.: (if known):

Project Manager: Harry Vergis  
 Tel: 2-1693 Fax: E-mail:hvergis@cityofchicago.org

Modification No.: (if known):

Previous PO No.: (if known):

Project Description: JET FUEL A FOR MIDWAY AIRPORT & O'HARE INT'L AIRPORT

**FUNDING:**

- |          |   |                                       |                                     |                                 |                                |
|----------|---|---------------------------------------|-------------------------------------|---------------------------------|--------------------------------|
| City:    | <input checked="" type="checkbox"/> Corporate | <input type="checkbox"/> Bond         | <input type="checkbox"/> Enterprise | <input type="checkbox"/> Grant* | <input type="checkbox"/> Other |
| State:   | <input type="checkbox"/> IDOT/Transit         | <input type="checkbox"/> IDOT/Highway | <input type="checkbox"/> FAA        | <input type="checkbox"/> Grant* | <input type="checkbox"/> Other |
| Federal: | <input type="checkbox"/> FHWA                 | <input type="checkbox"/> FTA          |                                     | <input type="checkbox"/> Grant* | <input type="checkbox"/> Other |

LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	OBJT	PROJECT	RPTG	\$ DOLLAR AMOUNT
	009	0100	040	0402035	0325					

Estimated Value \$1,242,780.00

\*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):**

**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): Sole Source

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

CONTRACT TERM: 5 Requested Term (number of months): 60 60

**PRE BID/SUBMITTAL REQUIREMENTS:**

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

# DPS PROJECT CHECKLIST

## ARCHITECTURAL/ENGINEERING SUPPLEMENTAL CHECKLIST

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

**Risk Management**

Will services be performed within 50 feet of CTA train or other railroad property?

Yes  No

Will services be performed on or near a waterway?

Yes  No

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

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

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

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## AVIATION CONSTRUCTION SUPPLEMENTAL CHECKLIST

DOA sign-off for final design documents:  Yes  No

**Required Attachments:**

Copy of Draft Contract Documents and Detailed Specifications.

**Risk Management:**

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

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

Will work be performed airside? Yes  No

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

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## COMMODITIES SUPPLEMENTAL CHECKLIST

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

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

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

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## CONSTRUCTION SUPPLEMENTAL CHECKLIST

**Required attachments:**

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

**Risk Management**

Will services be performed within 50 feet of CTA train or other railroad property?

Yes  No

Will services be performed on or near a waterway?

Yes  No

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# DPS PROJECT CHECKLIST

## VEHICLES/HEAVY EQUIPMENT SUPPLEMENTAL CHECKLIST

### Required Attachments:

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

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

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

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## PROFESSIONAL SERVICES SUPPLEMENTAL CHECKLIST

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

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

## TELECOMMUNICATIONS AND UTILITIES SUPPLEMENTAL CHECKLIST

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

Has the project been reviewed by 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

# DPS PROJECT CHECKLIST

## WORK SERVICES/FACILITY MAINTENANCE SUPPLEMENTAL CHECKLIST

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

**Risk Management:**

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

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

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

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

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

Contractor's Name:

Contractor's Address:

Contractor's e-mail Address:

Contractor's Phone Number:

Contractor's Contact Person:

Signature Flight Support  
Midway Airport  
5821 South Central Avenue  
Chicago, IL 60638

Tel 773.767.4400  
Fax 773.767.9697



09 January 2009

City of Chicago  
Darlene Price  
Deputy Commissioner  
Department of Fleet Management  
1685 North Throop  
Chicago, IL 60622

RE: Furnish and Dispense Jet Fuel A at Midway and O'Hare Airports

Dear Mrs. Price

Attached to this letter is our proposal for the sole source servicing for the City of Chicago Jet fuel services at Midway and O'Hare Airport. Signature Flight Support is the only support services that have the service capabilities and operational establishment at both airports, which helps to improve the level of communication and operational standards. Signature Flight Support has a fueling service training and quality control program that exceeds ATA 103 standards. It is our position as a company, not to just meet the standards but to exceed them. Employees at both operations have an average of 13-years of experience that contributes to the safety and awareness in our operation. Along with our well qualified line service employees, the management team has been working within the aviation industry for over 20-years.

As I mentioned before our training is very comprehensive and exceeds the aviation service standards. Our training program exceeds NATA safety 1<sup>st</sup> requirements, which is why we are able to obtain certification without have to run our employees through the National Aviation Transportation Associated program. The Training and Safety Manager has been operating at Midway and O'Hare for the last 25-years. It is through his experience and knowledge gained in those years, makes him a valuable asset to this company and our customers.

In the event we lose electricity or communication at ORD or MDW, we are able to cross utilize radios and phone systems to keep each other apprised of an arrival to each other base. It is back up plans like these helps us maintain the operations 24 hours a day, 7 days a week, which is particularly important when dealing with emergency vehicle such as the Fire Department Helicopter.

Since 911 in order to meet the needs of our customers and guarantee their multi-million dollar investment is protected, Signature purchased a \$150 million dollar war insurance policy, which you will find a unique coverage to have within the Fixed Based Operation industry.

As sole source operation that can assist you at O'Hare and Midway will assist in making the contract easier to management with only one contact required for both locations. Any questions regarding billing, safety, training, audits, etc. can be coordinated through the Midway operations.

Signature Flight Support  
Midway Airport  
5821 South Central Avenue  
Chicago, IL 60638

Tel 773.767.4400  
Fax 773.767.9697



Signature will provide Jet fuel at a cost plus the Into-plane Rate (ITP) set forth below. The ITP Rate shall be adjusted on an annual basis and to be applied each twelve month period following the date the contract is awarded. The adjustment to the IP rate will be base on the CPI rate at the time of the calculation. The IP rates are based on volume at each airport and the costs to operate at out each location.

MDW (ITP)	\$1.70 PER GALLON
ORD (ITP)	\$2.36 PER GALLON

At the two location our fuel cost is based on the Gulf Coast Mid. Our cost of fuel is provided by our fuel supplier each Tuesday and goes into effect every Wednesday. In addition to the GCM cost the suppliers will include their management and delivery fees. We can provide a spreadsheet that breaks down all the fuel costs associated for that week. As an example, based on the current fuel price for January 6<sup>th</sup>, 2009 the cost of fuel is broken down for each location:

**MDW**

Raw Cost	\$1.51023 (Includes GCM, Supplier/Pipeline fees)
Concession Fees	\$.1228
Airport Consortium Fees	\$.0330
US Federal Oil Spill Tax	\$.0019
US Federal Excise Tax	\$.244
State Thru Put Fee	\$.043
State Environmental Impact Fee	\$.003
<u>State Inspection Fee</u>	<u>\$.008</u>
Total Cost	\$1.96593
Out the Door cost per gallon	\$3.67

**ORD**

Raw Cost	\$1.51523 (Includes GCM, Supplier/Delivery fees)
Concession Fees	\$.04
US Federal Oil Spill Tax	\$.0019
US Federal Excise Tax	\$.244
State Environmental Impact Fee	\$.003
<u>State Inspection Fee</u>	<u>\$.008</u>
Total Cost	\$1.81213
Out the door cost per gallon	\$4.17

Don't hesitate to contact me if you have any questions or require additional information. We have always enjoyed working with the City of Chicago and this opportunity will to continue the longer term relationship we have established over the years.



Signature Flight Support  
Midway Airport  
5821 South Central Avenue  
Chicago, IL 60638

Tel 773.767.4400  
Fax 773.767.9697



Sincerely,

A handwritten signature in black ink, appearing to read "P. Shira". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Paul Shira  
Regional Vice President  
Signature Flight Support  
Midway Airport

# Memo

To: Monica Cardenas, Deputy Procurement Officer

From: Darlene Price, Deputy Commissioner *DP*

Date: June 13, 2008

Re: No Stated Goals for Jet Fuel

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The Department of Fleet Management is requesting approval for a "no stated goals" clause in its jet fuel contract. The Department of Fleet Management procures jet fuel for the Fire Department's two helicopters. These helicopters are part of the Fire Department's Air Rescue Operations. In 2006 and 2007 when the Fire Department owned one helicopter, \$118,150.92 and \$102,227.97 respectively, was spent on jet fuel. As of May 1, 2008, with two helicopters, \$73,990 has been spent on jet fuel.

The jet fuel contract was bid twice in 2007, on August 14th and October 15th. In both cases, no bids were received. Before the first bid opening, staff from Procurement Services and Fleet Management contacted Millionaire and Signature Flight, jet fuel companies at the airports to see if they would bid on the contracts. Millionaire was not interested in bidding on the contract. Signature Flight, the company that we currently purchase jet fuel from on direct voucher, agreed to bid although their representative Paul Shira noted that they would have problems meeting the city's MBE/WBE requirements. However, after the bid period closed, no bids were received. According to Signature Flight they did not receive their documents from their parent company which is stationed in London in time to submit the bid. The second time the project was bid; Signature Flight was an hour late with their bid. It was rejected.

After not receiving bids the second time, staff from Procurement Services, Fire and Fleet Management met to discuss options for procuring jet fuel. Staff at DPS looked into options of piggybacking on other contracts including the City's Police Department contract and contracts at other airports. Because of stipulations relative to crime enforcement in CPD's contract, we could not use it. It was later decided that flying our helicopters to other cities to buy fuel was not feasible or responsible.

After a few months passed, I spoke with Deputy Commissioner Gustavo Giraldo about this issue and he arranged a meeting

for Deputy District Chief Harry Vergis and me with Deputy Commissioner Mark Hands. We talked to Mark about our concerns and challenges with the jet fuel contract. Mark took our concerns under consideration and asked us to go back once more and find out if Signature could meet any of the MBE/WBE requirements. I talked to Mr. Shira and forwarded him a list of certified MBE/WBE's as well as Mark's list of possible subcontracting opportunities. Mr. Shira's email is attached. It basically states that he does not at this time have certified MBE/WBE's working for him nor does he have opportunities available. He further says that when the opportunity arises, he would look to hire a certified MBE/WBE.

Having a reliable source for jet fuel is critical to Fire's Air Rescue Operations. Currently, Signature flight is the only company who can provide the service that meets Fire's need that is willing to bid on the contract. In talking with Chief Vergis, he gave the following reasons why the Fire Department would like to continue to use Signature Flight services for jet fuel:

- 1) 24/7/365 availability of re-fueling services at two locations within the City of Chicago (redundancy of service availability in case of the unplanned loss of one of service facilities).
- 2) Written Operations plans for personnel safety and training.
- 3) A good record of performance for service and safety.
- 4) Wartime Insurance (to ensure continuity of service in case of declaration of war involving the United States).
- 5) Written Quality Assurance program for aircraft fuel.

Given the reasons stated, your consideration of a no state goals for this contract would be greatly appreciated.



City of Chicago  
Richard M. Daley, Mayor

Department of Fleet Management

Howard J. Henneman  
Commissioner

1685 North Throop Street  
Chicago, Illinois 60622  
(312) 744-3901  
(312) 744-5244 (FAX)

<http://www.cityofchicago.org>

June 19, 2008

Mr. Montel M. Gayles  
Chief Procurement Officer  
Department of Procurement Services  
121 N. LaSalle Street - Room 400  
Chicago, Illinois 60602

RE: Jet Fuel - Specification  
Recommendation Sole Source

Dear Mr. Gayles:

The Department of Fleet Management (DFM) is requesting sole source approval for a jet fuel contract.

DFM procures jet fuel for the Chicago Fire Department's (CFD) two helicopters. These helicopters are part of the CFD's Air Rescue Operations. In 2006 and 2007 when CFD owned one helicopter, \$118,150.92 and \$102,227.97 respectively, was spent on jet fuel. As of May 1, 2008, with two helicopters, \$73,990 has been spent on jet fuel. This amount is expected to increase significantly during the summer months and as fuel prices increase. It is anticipated that 66,000 gallons of fuel will be purchased this year; over \$300,000 was budgeted for these purchases.

The City's jet fuel specification was bid twice in 2007, on August 14th and October 15th. In both cases, no bids were received. Before the first bid opening, staff from the Department of Procurement Services (DPS) and DFM contacted Millionaire and Signature Flight, jet fuel companies at the airports, to see if they would bid on the contracts. Millionaire was not interested in bidding on the contract. Signature Flight, the company that we currently purchase jet fuel from on direct voucher, agreed to bid. However, after the bid period closed, no bids were received. According to Paul Shira, the manager at Signature Flight, he did not receive completed documents from their parent company in London in time to submit the bid. The second time the project was bid; Signature Flight was one hour late with their bid. It was rejected.

After not receiving bids the second time, staff from DPS, CFD and DFM met to discuss options for procuring jet fuel. Staff at DPS and DFM looked into options of piggybacking on other contracts including the City's Police Department contract and contracts at other airports. Because of stipulations relative to crime enforcement in CPD's contract, we could not use it.

It was also decided that flying the city's helicopters to other cities to buy fuel was not feasible or responsible.



Having a reliable source for jet fuel is critical to CFD's Air Rescue Operations. Currently, Signature flight is the only company which can and is willing to provide the services to meet CFD's needs. Deputy District Chief Harry Vergis of CFD gave the following reasons why Signature Flight services should be granted a sole source contract to provide jet fuel to the city:

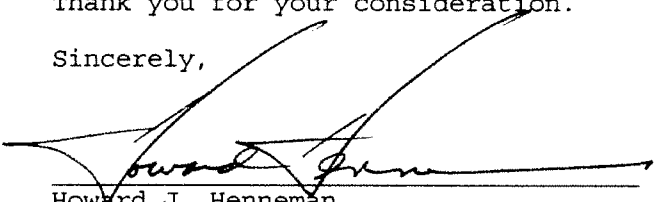
- Signature is the only company providing jet fuel at both Midway and O'Hare airports.
- They are open 24 hours a day, 7 days a week, 365 days a year.
- They maintain written Operations plans for personnel safety and training.
- Signature has a good record of performance for service and safety.
- They maintain Wartime Insurance (to ensure continuity of service in case of declaration of war involving the United States).
- They have written Quality Assurance program for aircraft fuel.

Given the reasons stated above we are requesting sole source approval to put in place a jet fuel contract.

If you require additional information regarding this recommendation, please contact Darlene Price at (312) 742-3972.

Thank you for your consideration.

Sincerely,



Howard J. Henneman  
Commissioner of Fleet Management

cc: D. Price

**CITY OF CHICAGO  
 PURCHASE REQUISITION**

**Copy (Department)**

<b>DELIVER TO:</b>  160 1685 N THROOP CHICAGO ILL 60622 Chicago, IL	<b>REQUISITION:</b> 41457  <b>PAGE:</b> 1 <b>DEPARTMENT:</b> 40 - DEPT OF FLEET MGMT <b>PREPARER:</b> Michele T Gamble <b>NEEDED:</b> <b>APPROVED:</b> 1-23-2006
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**REQUISITION DESCRIPTION**  
 NEW CONTRACT - JET FUEL  
 SPECIFICATION NUMBER: 71431

**COMMODITY INFORMATION**

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST
1	4051835010	67 000,00	Gallon	0,00	0,00

GASOLINE, JET FUEL - JET FUEL A, MIDWAY AIRPORT, AVERAGE PLATT'S PRICE PER GALLON ON REFUELING DATE

**SUGGESTED VENDOR:**

**REQUESTED BY:** Michele T Gamble

DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00

**LINE TOTAL:** 0,00

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST
2	4051835015	67 000,00	Gallon	0,00	0,00

GASOLINE, JET FUEL - JET FUEL A, MIDWAY AIRPORT, MARKUP PER GALLON

**SUGGESTED VENDOR:**

**REQUESTED BY:** Michele T Gamble

DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00

**LINE TOTAL:** 0,00

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST
3	4059910150	67 000,00	Gallon	0,00	0,00

VARIOUS FUEL TAXES - FEDERAL EXCISE TAX

**SUGGESTED VENDOR:**

**REQUESTED BY:** Michele T Gamble

DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00

**LINE TOTAL:** 0,00

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST
4	4051835050	3 000,00	Gallon	0,00	0,00

GASOLINE, JET FUEL - JET FUEL A, O'HARE AIRPORT, AVERAGE PLATT'S PRICE PER GALLON ON REFUELING DATE

**SUGGESTED VENDOR:**

**REQUESTED BY:** Michele T Gamble

DIST	BFY	FUND	COST CTR	APPR	ACCNT	ACTV	PROJECT	RPT CAT	GENRL	FUTR	Dist. Amt.
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00

**LINE TOTAL:** 0,00

**CITY OF CHICAGO  
 PURCHASE REQUISITION**

**Copy (Department)**

<b>DELIVER TO:</b>  160 1685 N THROOP CHICAGO ILL 60622 Chicago, IL	<b>REQUISITION:</b> 41457  <b>PAGE:</b> 2 <b>DEPARTMENT:</b> 40 - DEPT OF FLEET MGMT <b>PREPARER:</b> Michele T Gamble <b>NEEDED:</b> <b>APPROVED:</b> 1-23-aa
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**REQUISITION DESCRIPTION**  
 NEW CONTRACT - JET FUEL  
 SPECIFICATION NUMBER: 71431

**COMMODITY INFORMATION**

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST						
5	4051835055	3 000,00	Gallon	0.00	0,00						
	GASOLINE, JET FUEL - JET FUEL A, O'HARE AIRPORT, MARKUP PER GALLON										
	<b>SUGGESTED VENDOR:</b>			<b>REQUESTED BY:</b> Michele T Gamble							
<b>DIST</b>	<b>BFY</b>	<b>FUND</b>	<b>COST CTR</b>	<b>APPR</b>	<b>ACCNT</b>	<b>ACTV</b>	<b>PROJECT</b>	<b>RPT CAT</b>	<b>GENRL</b>	<b>FUTR</b>	<b>Dist. Amt.</b>
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00
											<b>LINE TOTAL:</b>
											0,00

LINE	ITEM	QUANTITY	UOM	UNIT COST	TOTAL COST						
6	4059910150	3 000,00	Gallon	0.00	0,00						
	VARIOUS FUEL TAXES - FEDERAL EXCISE TAX, FEES										
	<b>SUGGESTED VENDOR:</b>			<b>REQUESTED BY:</b> Michele T Gamble							
<b>DIST</b>	<b>BFY</b>	<b>FUND</b>	<b>COST CTR</b>	<b>APPR</b>	<b>ACCNT</b>	<b>ACTV</b>	<b>PROJECT</b>	<b>RPT CAT</b>	<b>GENRL</b>	<b>FUTR</b>	<b>Dist. Amt.</b>
1	009	0100	0402035	0325	220325	0000	00000000	000000	00000	0000	0,00
											<b>LINE TOTAL:</b>
											0,00

**REQUISITION TOTAL: 0,00**