

**REQUEST FOR INFORMATION (RFI)**

**for**

**VALET OPERATIONS AND DATA COLLECTION SOLUTION**

**Specification No. 762933**

**Required for use by:**

**CITY OF CHICAGO  
Office of Budget and Management (OBM)**



**Issued by:**

**CITY OF CHICAGO  
Department of Procurement Services**

**ONE (1) HARD COPY OF THE RESPONSE MARKED "ORIGINAL" AND FOUR (4) ELECTRONIC COPIES OF THE ORIGINAL MUST BE SUBMITTED**

**All responses shall be addressed and returned to:**

Shannon Andrews, Chief Procurement Officer  
Attention: Jana Williams  
Department of Procurement Services  
City Hall - Bid & Bond - Room 103  
121 North La Salle Street  
Chicago, IL 60602

**Responses must be received no later than 4:00 pm, Central Time on Monday, September 10, 2018.**

Responses shall be submitted in sealed envelope(s) or package(s). The outside of the envelope or package must clearly indicate the name of the project, "RFI for Valet Operations and Data Collection Solution, Specification No. 762933." The name and address of the Respondent must be clearly printed on the outside envelope or package.

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**RAHM EMANUEL  
MAYOR**

**SHANNON ANDREWS  
CHIEF PROCUREMENT OFFICER**

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## REQUEST FOR INFORMATION

**SUBJECT:** Valet Operations and Data Collection Solution

**INQUIRIES:** All inquiries for information shall be directed to Jana Williams, Senior Procurement Specialist, at the City of Chicago, Department of Procurement Services, (312) 744-4902. Phone inquiries will be accepted for general questions. If you have specific technical questions, forward written questions to the attention of Jana Williams at [Jana.Williams@cityofchicago.org](mailto:Jana.Williams@cityofchicago.org).

**Questions are due by Thursday, August 9, 2018 at 4:00 p.m. Central Time. Any questions received after this date and time will not be accepted.**

**ADDENDUM:** If a determination is made that a clarification or change to the Request for Information (RFI) document is required, a written addendum will be emailed by the Department of Procurement Services to all RFI document holders. Respondents are responsible for obtaining all RFI materials. If Respondent chooses to download and print an RFI document, the Respondent must contact the City of Chicago, Department of Procurement Services, Bid & Bond Room by emailing [BidandBond@cityofchicago.org](mailto:BidandBond@cityofchicago.org) to register Respondent’s company as an RFI document holder, which will enable the Respondent to receive any future clarifications and/or addendum related to this RFI.

**RESPONSES: Responses must be received no later than 4:00 pm, Central Time on Monday, September 10, 2018.**

Responses must be delivered to the following address:

City of Chicago  
Shannon Andrews, Chief Procurement Officer  
Attention: Jana Williams  
Department of Procurement Services  
Bid & Bond, Room 103, City Hall  
121 North LaSalle Street  
Chicago, Illinois 60602

**Submit one (1) complete hard copy of your response marked “Original” in addition to four (4) electronic copies of the original on USB drives or CD-ROMs. Provide electronic copies of any product literature or data. Submittals shall be labeled: “RFI for Valet Operations and Data Collection Solution, Specification No. 762933.” Use this page with the information below completed as a cover sheet to your submittal documents. Responding to this RFI is not a pre-requisite for responding to any subsequent solicitations relating to this project.**

\_\_\_\_\_  
Company Name

\_\_\_\_\_  
Authorized Officer (Name & Signature in Ink)

\_\_\_\_\_  
Address

\_\_\_\_\_  
Title

\_\_\_\_\_  
City/State/Zip Code

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Date

\_\_\_\_\_  
E-mail Address

## I. General Invitation

The City of Chicago (City), acting through the Office of Budget and Management (OBM) , seeks responses to this RFI from vendors in the information technology industry who have demonstrated experience and expertise with data collection and payment processing and remittance. If you are interested in participating, you are invited to respond to this RFI by the due date indicated.

**This is not an invitation for bids or request for proposals; therefore, no standard City terms and conditions or contractual language is contained herein, nor is it required in your response. No contract award will result from this solicitation.**

## II. Objective

This RFI seeks new and innovative technological solutions to improve tax and data collection from licensed valet parking companies that operate in the City of Chicago to increase tax compliance, provide consumer and operator protections, and transparency. Currently, valet operators are required to pay their tax liability for a given month by the fifteenth day of the following month and file a tax return annually. However, beginning July 1, 2018, valet operators will be required to file a tax return with their remittance every month. The City does not currently offer a technological solution, therefore licensed valet operators must remit taxes manually, as well as provide operational data when requested by the City.

Enforcement activity involving the valet parking industry generally yields significant findings for several reasons, including a lack of sophisticated data tracking, inadequate internal controls, and intentional under-reporting. Additionally, due to a lack of real time data tracking, consumer and operator protections such as ensuring valet operators are licensed, the ability to track cars in valet parking service including at the parked location, as well as overall security and safety are weakened. A robust technological solution will enable licensed valet operators to electronically track and inventory vehicles in their possession, provide consumers with proof of services as well as collect valet payments and remit taxes in real time.

With the tax filing requirement moving from annual to monthly, the City believes that it is an opportune time to review best practices in other jurisdictions and to seek innovative solutions that will address the aforementioned challenges. Such ideas will enable the City to increase tax receipts, increase compliance with operational requirements, generate robust data to facilitate the audit process, as well as increase consumer protections through a transparent and consumer focused data-based process. Proposed solutions must protect consumers and operators from fraud and loss and increase safety and security measures.

## III. General Background

The City currently has approximately 100 registered valet operators, operating at more than 400 locations across the city. In 2017, the City collected more than \$2.1 million in parking tax from valet operations. However, based on historical audit findings, this should have been substantially more. During the City's routine audits and tax compliance investigations, there have been discoveries that serendipitously surfaced previously unforeseen gaps that can be

addressed by enhanced data tracking tools that can increase the effectiveness of internal controls and provide tools to identify compliance issues. With a 20% tax rate on valet parking, each unreported transaction costs the City a significant amount of tax revenue. Furthermore, the valet parking fee includes a tax paid by the consumer with the understanding that it will be used to fund essential City services and operations. When a collected tax is not remitted to the taxing jurisdiction, it is a breach of the public trust. Therefore, the City is seeking ways to narrow and close this gap.

#### **IV. Scope**

The description of the technological solution for which the City seeks information is intended to be general in nature, and is neither a complete, nor limiting, description of the solution. The City is open to responses using a variety of technological and operational models, and strategies to achieve the proposed solution.

The project must be supported by a sustainable business model that can be easily scaled and that demonstrates a measurable return. The City is open to a variety of compensation methodologies, with preference for those that require little to no upfront investment by the City. However, the City will consider making capital or other investments if warranted.

The City is looking for a solution that would handle the following:

1. Real time reporting.
2. Real time remittance of tax payment from valet operator.
3. Valet operator license information and location tracking, including data such as valet employees, date/time of vehicle drop-off and pick-up, locations and number of vehicles in the possession of the licensed valet operator at any given time, payment remitted, individual and total tax assessed, and date/time and duration of vehicle possession in valet.
4. Ability for the customer and company to exchange information in a safe and secure manner.
5. Ability to accept multiple forms of payment including cash, if possible.
6. Process for identifying noncompliant operators.
7. Marketing and public information strategy.

Some additional options for Respondent submittal to address:

1. License plate recognition technology as part of a ticketless solution, if feasible.
2. Link to the City's parking ticket database to determine who was in possession of a vehicle when tickets are issued (consumer protection).
3. Management and compliance structures that would allow proposing company to manage implementation and on-going compliance.
4. Integration with the City's complaint database to manage complaint outcomes and offer tracking of repeat offenders.
5. Any other potential uses for the proposed technology.

## V. RFI Questions

In addition to addressing the scope above, please also provide responses and information on the following:

1. Description of proposed solution and how it meets the scope above.
2. Provide examples of proposed/similar systems in other municipalities, including information on successes, challenges and any measurable outcomes.
3. Describe how the consumer, operator, and City will interface with the proposed solution.
4. Describe the structure of the system and how it manages compliance with applicable regulations.
5. Describe how the proposing organization will ensure valet operators are utilizing the proposed solution.
6. How will the system ensure data security?
7. What is the system of data integration and how would reporting be structured (what, when frequency, etc.)?
8. How will tax revenue be remitted to the City?
9. Describe potential compensation structures.

## VI. Submittal Requirements

### A. Format

Responses should be prepared on 8 ½" X 11" letter size paper (preferably recycled). The City encourages using reusable, recycled, recyclable and chlorine-free printed materials for responses prepared in connection with this solicitation. Expensive papers and bindings are discouraged, as no materials will be returned.

### B. Required Content of Response

The cover sheet of the RFI package should be signed by an authorized vendor representative and submitted with the response. Please provide the name and telephone number for the appropriate contact person for this solicitation.

Respondents are requested to include a completed Submittal A, Company Profile Information attached to this RFI. Additional pages may be used if necessary.

### C. Executive Summary

Respondent must provide an executive summary which explains its understanding of the City's intent and objectives and how their response would achieve those objectives. The summary is to include the Respondent's proposed product/solution for implementing the Valet Operations and Data Collection Solution project.

## VII. General Terms

### A. Confidentiality

All submissions are subject to the Illinois Freedom of Information Act (FOIA), which may allow certain information to be exempted from disclosure. In the event a Respondent to the RFI may include information that it deems to be proprietary, the Respondent should clearly

label that information as such. The City will then assert its exemptions under FOIA to the full extent of the law with respect to such proprietary information.

B. Incurring Costs

The City of Chicago will not be liable in any way for any costs incurred by Respondents in replying to this RFI, including, but not limited to, costs associated with preparing the response and of participating in any conferences or oral presentations.

C. Technology Demonstration

If a firm has a technology solution that can be demonstrated on the Internet, please provide the URL with the response. If a demonstration CD is available, please furnish it with the response. In addition, the City reserves the right to request a presentation or demonstration of the services.

D. Evaluation of Responses

The cover sheet of this information package should be signed by an authorized vendor representative and submitted with the response. Please provide the name and telephone number for the appropriate contact person. This is not an invitation for bids or request for proposals; therefore, no standard City terms and conditions or contractual language is contained herein, nor is it required in your response. The City reserves the right to request clarification or additional information from any Respondent at any time during this RFI process. No vendor will be selected for contract negotiations or award from this solicitation.

E. Prohibition on Certain Contributions – Mayoral Executive Order No. 2011- 4

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executor (ii) the term of this Contract or any Other Contract between City and Contractor, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Contractor represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Contractor or the date the Contractor approached the City, as applicable, regarding the formulation of this Contract, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Contractor shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Contractor violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Contractor's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Contractor and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

**Submittal A**  
**COMPANY PROFILE INFORMATION**

Name of Firm: \_\_\_\_\_

Headquarters Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Web Site Address: \_\_\_\_\_

Business Organization:      Sole Proprietor          Partnership          Limited Liability Company  
   Corporation

State of Incorporation: \_\_\_\_\_

Number of Years in Business: \_\_\_\_\_

Total Number of Employees: \_\_\_\_\_

Total Annual Revenues separated by last 3 full fiscal years: \_\_\_\_\_

Number of Municipal Clients: \_\_\_\_\_

**REFERENCES** (List 3 Clients for similar service):

**Client #1**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person & Telephone #: \_\_\_\_\_

Product & Date In-Service: \_\_\_\_\_

**Client #2**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person & Telephone #: \_\_\_\_\_

Product & Date In-Service: \_\_\_\_\_

**Client #3**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person & Telephone #: \_\_\_\_\_

Product & Date In-Service: \_\_\_\_\_

Other Major Products and/or Services:

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Describe your firm's experience in developing and implementing data collection solutions similar to the one requested by the City:

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Are you able to provide this system/solution alone or with partner firms?

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