



CITY of NOVI CITY COUNCIL

Agenda Item C
June 3, 2013

SUBJECT: Approval to award bid for towing services to Hadley's Towing and Keford's Novi Towing for three (3) years, with two (2) renewal options in one (1) year increments based on acceptance of City terms and conditions to function on a rotating basis with an effective date of July 1, 2013.

SUBMITTING DEPARTMENT: Public Safety - Police *JEM*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

This contract is provided as a service to the community when the need for wrecker service is required. There is no expenditure required by the City. The services include vehicles towed as a result of arrests, traffic accidents and for evidentiary purposes.

After a review by the City Attorney, an Invitation for Bids was placed on the Michigan Intergovernmental Trade Network (MITN) website on April 22, 2013, with bids due on May 8, 2013. Three bids were received. Keford's Novi Towing and Hadley's Towing offer storage lots within the Novi city limits. Wixom Towing offers a storage lot in Wixom, not in the corporate City limits of Novi and have requested a deviation from the specifications as outlined in the bid under vehicle storage.

For the past three years, both Hadley's Towing and Keford Towing have been able to meet their obligations, including their response times, and have worked well together with our current rotating system. They have both provided reliable service and have demonstrated their ability to afford safety and security of vehicles towed and stored.

It is recommended that the City award the towing contracts to Hadley's Towing and Keford's Novi Towing. Both have a positive track record of success with the City of Novi and both have proven to be able to deliver the product we need in a quality manner and on time. Pursuant to the terms of the contract, the two companies would be placed on a rotating call system when the need for a wrecker service arises.

RECOMMENDED ACTION: Approval to award bid for towing contract to Hadley's Towing and Keford Towing for three (3) years, with two (2) renewal options in one year increments based on acceptance of City terms and conditions to function on a rotating basis with an effective date of July 1, 2013.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				

MEMORANDUM



TO: DAVID E. MOLLOY
DIRECTOR OF PUBLIC SAFETY / CHIEF OF POLICE

FROM: JERROD S. HART *JH*
ASSISTANT CHIEF OF POLICE

SUBJECT: TOWING SERVICES CONTRACT

DATE: APRIL 18, 2013

The current contract for towing services will expire on June 30, 2013. I, along with Lieutenant Keith Wuotinen made revisions to the bid package which included bid documents, specifications, and contract. I then submitted the entire package to the City attorney for review. The following information pertains to significant proposed changes in the contract.

Duration

Historically, the contract term was one (1) year with two (2) renewal options in one year increments. This was changed to a three (3) year contract with two (2) renewal options in one year increments for the potential contract duration of five (5) years.

Release of Vehicles

Language was added to ensure the release of impounded vehicles without additional requirements or restrictions imposed by the towing service. The language clearly identifies that once all fees are paid and there are no holds on the vehicle by the Novi Police Department, the vehicle is to be released.

Fees

The fees for impounding private vehicles were compared to the following surrounding communities; Livonia, West Bloomfield, Waterford, Milford, Oakland County Sheriff's Office and Northville Twp. It was also noted the City of Novi has not increased tow fees since 2008. Based on the above information, I increased the contract price on a private tow \$5 in each of the following categories with the proposed price listed:

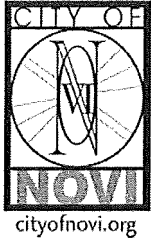
Towing of Vehicles 5,000 GVW and less	\$ 85
Towing of Vehicles 5,000 GVW to 9,999 GVW	\$ 95
Towing of Vehicles 10,000 GVW to 19,999 GVW	\$ 110
Towing of Vehicles 20,000 GVW and up	\$ 210

The increase places our community in the lower tier of the price range of surrounding communities and represents the only increase during the duration of the contract.

Additional language was added regarding Hold Harmless / Indemnity and Insurance sections based on attorney review. Unless there are any concerns, the contract will be placed on the Michigan Intergovernmental Trade Network (MITN) on April 22, 2013.

CITY OF NOVI
Towing Services Contract 13
May 8, 2013, 11:00 AM

Private Vehicles	Required Contract Price	Keford Novi Towing, Inc.	Hadley's Towing	Wixom Towing
1. Towing of Vehicles 5,000 GVW and less	85	85	85	85
2. Towing of Vehicles 5,000 GVW to 9,999 GVW	95	95	95	95
3. Towing of Vehicles 10,000 GVW to 19,999 GVW	110	110	110	110
4. Towing of Vehicles 20,000 GVW and up	210	210	210	210
5. Storage/day to commence after 24 hrs of impoundment: inside	15	15	15	15
5. Storage/day to commence after 24 hrs of impoundment: outside	10	10	10	10
6. Extra Charge for Dollies	0	0	0	0
7. Extra Charge for Disconnecting Linkages	0	0	0	0
8. Extra Charge for Winching (off roadway)	75	75	75	75
9. Motorcycles	95	95	95	95
10. Lockouts	45	45	45	45
11. Tire Change	45	45	45	45
12. Gas Pickup	45	45	45	45
13. Per Hour Labor Charge / Extra Service	60/hr	60/hr	60/hr	60/hr
14. Flatbed usage	0	0	0	0
City Owned Vehicles				
1. Towing of Vehicles 5,000 GVW and less	0	0	0	0
2. Towing of Vehicles 5,000 GVW to 9,999 GVW	0	0	0	0
3. Towing of Vehicles 10,000 - 24,999 GVW within 30 mile radius of City limits	0	0	0	0
4. Towing of Vehicles 10,000 - 24,999 GVW greater than 30 mile radius from City limits	\$100	\$100	\$100	\$100
5. Towing of Vehicles 25,000 - 80,000 GVW	\$150	\$150	\$150	\$150
Capability to tow up to 80,000 GVW from front?		Yes	Yes	Yes
Capability to tow up to 80,000 GVW from rear?		Yes	Yes	Yes
Equipment List included?		Yes	Yes	Yes
Deviations/Comments		10% discount for Novi residents if entire contract is awarded.	Sub-contract Joey's Towing for rotator/crane svc and hazmat situations.	Storage yard within 3 mi of Novi city limits. Back of property is on Wixom/Novi city lines.
Location of storage yard		39586 Grand River, Novi	25460 Trans X Rd, Novi	30290 Beck Rd, Wixom



**NOTICE - CITY OF NOVI
INVITATION TO BID**

TOWING SERVICES

The City of Novi will receive sealed bids for **Towing Services** according to the specifications of the City of Novi.

Sealed bids will be received until **11:00 A.M.** prevailing Eastern Time, **Wednesday, May 8, 2013** at which time bids will be opened and read. Bids shall be addressed as follows and delivered to:

**CITY OF NOVI
CITY CLERK'S OFFICE
45175 W. Ten Mile Rd.
Novi, MI 48375-3024**

All bids must be signed by a legally authorized agent of the bidding firm. **OUTSIDE OF MAILING ENVELOPES/PACKAGES MUST BE PLAINLY MARKED "TOWING SERVICES BID" AND MUST BEAR THE NAME OF THE BIDDER.**

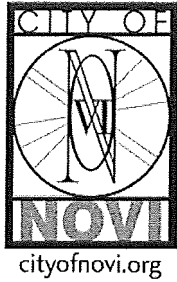
The City reserves the right to accept any or all alternative bids and award a contract to other than the lowest bidder, to waive any irregularities or informalities or both; to reject any or all bids; to subdivide the award, and in general to make the award of the contract in any manner deemed by the City, in its sole discretion, to be in the best interest of the City of Novi.

Sue Morianti
Purchasing Manager

Notice Dated: April 22, 2013

NOTICE TO BIDDERS:

The City of Novi officially distributes bid documents through the Michigan Intergovernmental Trade Network (MITN). **Copies of bid documents obtained from any other source are not considered official copies.** The City of Novi cannot guarantee the accuracy of any information not obtained from the MITN website and is not responsible for any errors contained by any information received from alternate sources. Only those vendors who obtain bid documents from the MITN system are guaranteed access to receive addendum information, if such information is issued. If you obtained this document from a source other than the source indicated, it is recommended that you register on the MITN site, www.mitn.info and obtain an official copy.



CITY OF NOVI
TOWING SERVICES
INSTRUCTIONS TO BIDDERS

This bid is issued by the Purchasing Office of the City of Novi.

IMPORTANT DATES

Bid Issue Date	April 22, 2013
Last Date for Questions	Tuesday, April 30, 2013 by 12:00 P.M. Please submit all questions via email to: Sue Morianti, Purchasing Manager smorianti@cityofnovi.org
Response Due Date	Wednesday, May 8, 2013 by 11:00 A.M.

QUESTIONS

Please email all questions to the staff member listed above. Please write the name of the Bid in the subject line. If write anything else in the subject line, your email may be deleted as spam.

TYPE OF CONTRACT

If a contract is executed as a result of the bid, it stipulates a fixed price for products/ services. The contract period will be for three (3) years. Upon mutual consent of the City of Novi and the successful proposer, the contract may be renewed two (2) times in one (1) year increments at the same terms and conditions of the original contract.

BID SUBMITTALS

An **ORIGINAL and Three (3) copies** of each bid must be submitted. The original may be clipped but should not be stapled or bound. The copies may be stapled or bound. No other distribution of the bids will be made by the Contractor. Bids must be signed by an official authorized to bind the Contractor to its provisions.

FAILURE TO SUBMIT PRICING ON THE BID FORM PROVIDED BY THE CITY OF NOVI MAY CAUSE THE BID TO BE CONSIDERED NON-RESPONSIVE AND INELIGIBLE FOR AWARD.

CHANGES TO THE BID/ADDENDUM

Should any prospective Bidder be in doubt as to the true meaning of any portion of the ITB, or should the Bidder find any patent ambiguity, inconsistency, or omission therein, the Bidder shall make a written request (via email) for official interpretation or correction. Such request shall be submitted to the staff member indicated above. The individual making the request shall be held responsible for its prompt delivery.

Such interpretation or correction, as well as any additional Bid provisions that the City may decide to include, will be made as an addendum, which will be posted on the

MITN website at www.mitn.info . Any addendum issued by the City shall become part of the ITB and subsequent contract and shall be taken into account by each bidder in preparing its bid. Only written addenda is binding. It is the Bidder's responsibility to be sure they have obtained all addenda. Receipt of all addenda must be acknowledged on bid form.

SUBMISSION OF BID

Bids must be submitted in a sealed envelope, box, or package, and clearly marked with: ITB Title, Deadline, Respondent's name, address, phone, fax, and contact name. Failure to do so may result in a premature opening or failure to open such proposal.

To be considered, sealed bids must arrive at City Clerk's Office on or before the specified time and date. There will be no exceptions to this requirement. The Clerk's Department time stamp will determine the official receipt time. Contractors mailing bids should allow ample time to ensure the timely delivery of their bid. Bids received after the closing date and time will not be accepted or considered. Faxed, emailed, or telephone bids are not acceptable. The City of Novi shall not be held responsible for lost or misdirected bids. The City reserves the right to postpone a bid opening for its own convenience.

All prices and notations must be typed or printed in ink. No erasures are permitted. Mistakes may be crossed out and corrections must be initialed in ink by the person signing the bid. Bids must be signed by an Authorized Representative of the submitting Company on the enclosed form. Bids must show unit and total prices if requested. In case of mistakes in price extension, unit pricing shall govern.

A bid may be withdrawn by giving written notice to the Purchasing Manager before the stated due date/closing time. After the stated closing time, the bid may not be withdrawn or canceled for a period of One Hundred and Twenty (120) days from closing time.

Failure to include in the bid all information requested may be cause for rejection of the bid.

Bidders are expected to examine all specifications and instructions. Failure to do so will be at the bidder's risk.

Any samples, CDs, DVDs or any other items submitted with your bid will not be returned to the contractor.

No bid will be accepted from, or contract awarded to any person, firm, or corporation that is in arrears or is in default to the City Novi upon any debt or contract, or that is in default as surety or otherwise, or failed to perform faithfully any previous contract with the City.

USE OF THE CITY LOGO IN YOUR BID OR IN ANY OTHER MANNER IS PROHIBITED.

CONSIDERATION OF BIDS

In cases where items are requested by a manufacturer's name, trade name, catalog number or reference, it is understood that the bidder/proposer intends to furnish the

item so identified or an item of "equal" quality and value as determined by the City of Novi.

Reference to any of the above is intended to be descriptive, but not restrictive, and only indicates articles that will be satisfactory. Bids of "equal" quality and value will be considered, provided that the bidder states in his/her bid what he/she proposed to furnish, including literature, or other descriptive matter which will clearly indicate the character of the item covered by such bid.

The Purchasing Manager hereby reserves the right to approve as an "equal", any item proposed which contains minor or major variations from specification requirements, but which may comply substantially therewith.

RESPONSIVE BIDS

All pages and the information requested herein shall be furnished completely in compliance with instructions. The manner and format of submission is essential to permit prompt evaluation of all bids on a fair and uniform basis. Unit prices shall be submitted if space is provided on bid form. In cases of mistakes in extension, the unit price shall govern. Accordingly, the City reserves the right to declare as non-responsive, and reject an incomplete bid if material information requested is not furnished, or where indirect or incomplete answers or information is not provided. Any exceptions to the specifications must be noted on the bid form.

EXCEPTIONS

The City will not accept changes or exceptions to the bid documents/specifications unless Contractor indicates the change or exception in the "Exceptions" section of the bid form. If Contractor neglects to make the notation on the bid form but writes it somewhere else within the bid documents and is awarded the contract, the change or exception will not be included as part of the contract. The original terms, conditions and specifications of the bid documents will be applicable during the term of the contract.

CONTRACT AWARD

The contract will be awarded to that responsible, responsive bidder whose bid, conforming to this solicitation, will be most advantageous to the City of Novi. Qualifications, experience, references, comparable projects, price, previous experience with vendor/contractor, delivery, and other factors will be considered in the evaluation process and award of contract. The City reserves the right to accept any or all alternative bids and award the contract to other than the lowest bidder, to waive any irregularities or informalities or both; to reject any or all bids; and in general to make the award of the contract in any manner deemed by the City, in its sole discretion, to be in the best interest of the City of Novi.

After contract award, a summary of total price information for all submissions will be posted on the MITN website at www.mitn.info.

The City may, from time to time, find it necessary to continue this contract on a month-to-month basis only, not to exceed a six (6) month period. Such month-to-month extended periods shall be by mutual agreement of both parties, with all provisions of the original contract or any extension thereof remaining in full force and effect.

GENERAL CONDITIONS

TAX EXEMPTION

It is understood that the City of Novi is a governmental unit, and as such, is exempt from the payment of all Michigan State Sales and Federal Excise taxes. Do not include such taxes in the bid prices. The City will furnish the successful bidder with tax exemption certificates when requested. The City's tax-exempt number is 38-6032551.

INVOICING

Invoice must be mailed to: City of Novi, Attn: Finance Department, 45175 W. Ten Mile Road, Novi, MI 48375

CONTRACT TERMINATION

The City may terminate and/or cancel this contract (or any part thereof) at any time during the term, any renewal, or any extension of this contract, upon thirty days (30) days written notice to the Contractor, for any reason, including convenience without incurring obligation or penalty of any kind. The effective date for termination or cancellation shall be clearly stated in the written notice.

TRANSFER OF CONTRACT/SUBCONTRACTING

The successful bidder will be prohibited from assigning, transferring, converting or otherwise disposing of the contract agreement to any other person, company or corporation without the expressed written consent of the City of Novi. Any subcontractor, so approved, shall be bound by the terms and conditions of the contract. The contractor shall be fully liable for all acts and omissions of its subcontractor(s) and shall indemnify the City of Novi for such acts or omissions.

NON-DISCRIMINATION

In the hiring of employees for the performance of work described in this ITB and subsequent contract, neither the contractor, subcontractor, nor any person acting in their behalf shall by reason of religion, race, color, national origin, age, sex, height, weight, handicap, ancestry, place of birth, sexual preference or marital status discriminate against any person qualified to perform the work required in the execution of the contract.

ACCEPTANCE OF BID CONTENT

Should a contract ensue, the contents of the bid of the successful Bidder may become contractual obligations. Failure of a contractor to accept these obligations may result in cancellation of the award.

DISCLOSURE

All documents, specifications, and correspondence submitted to the City of Novi become the property of the City of Novi and are subject to disclosure under the provisions of Public Act No. 442 of 1976 known as the "Freedom of Information Act". This Act also provides for the complete disclosure of contracts and attachments hereto. This means that any informational material submitted as part of this ITB is available without redaction to any individual or organization upon request.

ECONOMY OF PREPARATION

Bids should be prepared simply and economically, providing a straightforward and concise description of the bidder's ability to meet the requirements of the bid. Emphasis should be on completeness and clarity of content. Included in the response must be a point by point response to the Requirements and other sections of the bid.

The City of Novi is not liable for any costs incurred by bidders prior to issuance of a contract.

INDEPENDENT PRICE DETERMINATION

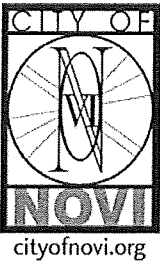
By submission of a proposal, the offerer certifies, and in case of a joint proposal, each party hereto certifies as to its own organization, that in connection with the proposal:

- (a) The prices in the proposal have been arrived at independently without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other offerer or with any other Competitor; and
- (b) No attempt has been made or will be made by the offerer to induce any other person or firm to submit or not submit a proposal for the purpose of restricting competition.

Each person signing the proposal certifies that:

- (c) He is the person in the offerer's organization responsible within that organization for the decision as to prices being offered in the proposal and that he has not participated and will not participate in any action contrary to (a) and (b) above; or
- (d) He is not the person in the offerer's organization responsible within that organization for the decision as to prices being offered in the proposal but that he has been authorized in writing to act as agent for the persons responsible for such decisions in verifying that such persons have not participated, and will not participate, in any action contrary to (a) and (b) above, and that as their agent, does hereby so certify; and that he has not participated, and will not participate in any action contrary to (a) and (b) above.

A proposal will not be considered for award if the sense of the statements required in the proposal has been altered so as to delete or modify the above.



CITY OF NOVI
TOWING SERVICES

SPECIFICATIONS

Scope of Services

- A. The City of Novi Police Department will contract with a towing company(s), as an independent contractor(s), for towing and impoundment of vehicles and related services as required by the State law, City ordinance and at the direction of the City's Police Department. These services may be awarded to more than one vendor and may be used on a rotating basis at the discretion of the City of Novi.

Duration

- A. The contract will be for three (3) years (thirty-six (36) months), with two (2) renewal options in one year increments solely at the option of the City upon thirty (30) days written notice prior to the expiration date of the original contract. The Contract may be evaluated at any time during the contract period. The City may terminate this contract at any time on seven (7) days written notice. The contractor may terminate the contract upon thirty (30) days written notice to the City.

Vehicle Storage

- A. At the time of bid award, the towing company **MUST** have a storage yard within the corporate City limits of the City of Novi and **MUST** maintain that yard for the duration of the contract period.
- B. All vehicles impounded shall be stored in a well-lighted storage lot, fenced with three strand barbed wire, seven feet six inches high, with all gates securely locked and a responsible person in charge of the business twenty four (24) hours a day.
- C. All towing and impoundment services provided by the designated towing company(s), including but not limited storage lot, shall be conducted so as not to create a nuisance to passing motorists and/or surrounding premises, or be in violation of Federal or State statutes or local laws governing the site of business.
- D. The vehicle storage yard will have normal business hours and will be open Monday through Saturday and have the following minimum hours of operations:

Monday – Friday	Minimum of 8 consecutive hours between 7:00 am - 6:00 pm
Saturday	Minimum of 4 consecutive hours between 9:00 am - 5:00 pm
Sunday	Optional
Holidays	Optional

In addition, upon request by the Novi Police Department, arrangements may be

made to release vehicles on an individual basis outside normal business hours.

- E. Storage charges shall not be assessed for the first 24 hours of storage.
- F. Vehicles, stored in the vehicle storage yard(s), shall be parked as to allow one (1) foot of space between them and adjacent vehicles.
- G. All aiseways, off which vehicles are parked, shall be constructed to allow for drainage during inclement weather.
- H. Any items removed from the vehicle by the designated towing company(s) shall be inventoried and stored in a locked, secured indoor area. A tag shall be affixed to the items indicating, at a minimum, the Novi Police Department's impound and complaint number.

Redemption of Vehicles

- A. Procedures for redemption of impounded vehicles, and public sale of unredeemed vehicles must follow procedures outline in State law and local ordinances including, but not limited to, MCL 257.252a et. seq.. The awarded contractor must fully cooperate with any paperwork and/or procedures that are required or requested in regard to this contract by the Novi Police Department.

Release of Vehicles to Owners Without Additional Requirements or Restrictions:

- A. A vehicle owner or agent who presents themselves to the impound/wrecker company yard during operating hours shall have the vehicle released to them without unnecessary delay and without any conditions or restrictions not specifically authorized in this contract, provided that:
 - 1) All fees and charges properly authorized under this contract are paid; and
 - 2) There are no holds on the vehicle by the Novi Police Department.

Waiver of Fees

- A. Towing and/or storage fees will be fully waived in the following circumstances:
 - 1. Operating While Intoxicated (OWI) Forfeiture Cases where the owner/operator of the vehicle successfully challenges a forfeiture of their vehicle under MCL 257.625 et seq., and/or a local ordinance substantially corresponding to this section, all storage and/or towing fees will be waived where required by law. In general, a successful challenge will require all storage fees to be waived but may not always require the towing fee to be waived. The order/instructions of the court and/or County/Local prosecutor will determine whether there is a waiver and to what extent.
 - 2. Towing and/or storage fees will be waived when ordered by any court.

3. Towing and/or storage fees will be waived when requested by the Novi Police Department. Such requests are based on extenuating circumstances to be evaluated on a case by case basis, at the sole discretion of the Novi Police Department.

Wrecker Personnel, Requirements and Availability

- A. The towing company shall operate and maintain for the City of Novi at least (2) two tow trucks, or equivalent (flat-bed type vehicles) from 7:00 a.m. to 7:00 p.m. local time, every day of the year and not less than one (1) tow truck or equivalent, shall be available to the Novi Police Department from 7:00 p.m. to 7:00 a.m. every day of the year. Response time will be within fifteen (15) minutes at all times. In the event response time exceeds 15 minutes, the Novi Police Department reserves the right to contact an alternate towing service. If contractor repeatedly arrives on scene late, the City reserves the right to cancel their contract.
- B. The successful towing company(s):
 1. Will provide the City of Novi with a list of the names and addresses of all current employees/drivers within 10 days of award.
 2. Shall immediately notify the City of all changes in employees/drivers.
 3. Any and all employees/drivers shall be licensed as provided by applicable Federal, State, and local laws and ordinances. Additionally, there must be proper licensure of business and vehicles meeting all the requirements of the State of Michigan and any applicable ordinances.

Also, all employees must:

4. Be able to speak, read and accurately write the English Language
5. Possess a valid Michigan operators license
6. Be sufficiently trained in the proper handling of vehicles so as to prevent damage to any vehicle resulting from their being towed.

A background investigation may be conducted on the towing company and each employee.

- C. The awarded contractor(s) shall maintain adequate staffing in order to insure proper response to any and all Police requirements of impounding vehicles; and moreover, subject to the approval of the Novi Police Department, shall provide back-up staffing from any other source should normal staff levels decline.

Record Keeping, Documentation

- A. Receipts must be filled out at the scene listing the entire cost for services provided excluding storage charges (to be added later). A copy of the receipt must be given to the officer at the scene. Vehicle will be inventoried by officer

and wrecker driver, who must sign the impound report acknowledging receipt of the property. The awarded contractor must maintain a separate receipt system, to be used for the Novi Police Department only. Receipts for all department ordered tows must be sequentially numbered and kept sequentially on file. These files are to include all "void" invoices.

- B. Records and invoices shall be kept by the designated towing contractor detailing all services rendered, including description of vehicles, locations from which they were towed or impounded, record of the mileage, and any other information which the City shall require. These records shall be maintained and kept throughout the term of this contract (plus one (1) year) and shall be made immediately available to the City for inspection upon request.
- C. A monthly audit will be conducted by the successful towing company of all vehicles impounded, including the reason the vehicle is impounded. The audit will show a running status of all such vehicles that were impounded within the past three (3) months, including their current and previous status. For example, the status will show the date of impound, the vehicle license plate, VIN number, description, and the current status (whether it is still in the impound yard, picked up by the owner and no longer in the yard along with the date this occurred, or whether the vehicle was disposed of by other means and the date with the disposition/description. The audit will be submitted to the Police Department by the 15th day of the following month.
- D. Every time the tow yard releases an abandon or impound vehicle, they must immediately call Novi Police Dispatch at (248) 348-7100 and report the type of release (e.g. redeemed, sold at auction, scrapped, etc.)

General

- A. The successful bidder will provide an individual, whose vehicle is being impounded, a business card stating company name, address, phone number as well as a list of rates and fees that may be charged in accordance to this contract. **CHARGES OTHER THAN THOSE STATED IN THE PRICING SECTION WILL NOT BE ALLOWED.**
- B. The towing contract may not be assigned or sub-contracted without the prior written consent of the City. Further, the principal(s) agree not to sell or assign their interests in the company without prior consent of the City. Further, the successful towing contractor warrants and represents that it is familiar with the towing and impoundment requirements of the City and is capable of rendering all services as required herein.
- C. **Any potential sub-contractor that may be required for special services MUST be identified in the "Vendor Comment" section of bid proposal at the time the proposal is submitted.** Any change in sub-contract during the life of this contract MUST be identified AND approved by the City prior to their use. Sub-contractor will maintain the same types and limits of insurance as fixed for the Contractor.

- D. The awarded contractor will display their company name and phone number prominently and permanently on all tow vehicles used in accordance with this contract. Also, all tow vehicles will have a broom, shovel and a fully charged fire extinguisher available at all times and contractor's employees shall be responsible for cleaning up towing scenes as part of the contracted service.
- E. The awarded contractor(s) shall tow and store all vehicles being held from the existing tow firm at no charge to the City of Novi.
- F. The awarded contractor must fully cooperate with any paperwork and/or procedures that are required or requested in regard to this contract by the Novi Police Department.
- G. Documentation must be provided with bid certifying that the person signing the bid is the majority stockholder in the firm.

Insurance

- A. Insurance coverage according to Attachment A is required during the life of the contract. **Proof of your ability to obtain insurance is required with your bid submittal.** Additionally, a current Certificate of Insurance listing the City as an additional insured is required within ten (10) days of award and a certificate showing current coverage is to be on file with the City during life of the contract. The insurance certificate shall include a thirty (30) day written notice to the City for cancellation, non-renewal or material change in coverage. Insurance company must have an AM Best rating of A- or better.



CITY OF NOVI
TOWING SERVICES

ATTACHMENT A –
INSURANCE REQUIREMENTS

Insurance coverage as follows is required during the life of the contract. The insurance required as follows shall contain a thirty (30) day written notice to the City of Novi for cancellation, non-renewal or material change in coverage. Proof of your ability to obtain insurance is required with your bid submittal. Additionally, a current Certificate of Insurance listing the City as an additional insured is required within ten (10) days of award and a current certificate is to be provided to the City during the life of the contract. Insurance company must have an AM Best Rating of A- or better.

1. The Contractor shall maintain at its expense during the term of this Contract, the following insurance:

- a. **Worker's Compensation** insurance with the Michigan statutory limits and Employer's Liability insurance with minimum limits of **\$100,000** (One Hundred Thousand Dollars) each accident.
- b. **Commercial General Liability Insurance** – The Contractor shall procure and maintain during the life of this contract, Commercial General Liability Insurance, Personal Injury, Bodily Injury and Property Damage on an "Occurrence Basis" with limits of liability not less than **\$1,000,000** (One Million Dollars) per occurrence combined single limit.
- c. **Automobile Liability** insurance covering all owned, hired and non-owned vehicles with Personal Protection insurance to comply with the provisions of the Michigan No Fault Insurance Law including Residual Liability insurance with minimum bodily injury limits of **\$1,000,000** (One Million Dollars) each person and **\$1,000,000** (One Million Dollars) each occurrence and minimum property damage limits of **\$1,000,000** (One Million Dollars) each occurrence.
- d. Alternate acceptable to 1 (b) and 1 (c) above: Garage liability hazard 1 coverage, including all coverages and limits of liability listed in 1 (b) and 1 (c).

NOTE: Umbrella/Excess liability coverage affording protection not less than that described herein is acceptable as to required limits of liability, in the event primary policies are lower.

- e. **Garage Keepers Legal Liability** - Standard form insuring the legal liability for damage to, or loss of, vehicles of others in care, custody or control.

(1). Coverage

- (a). Comprehensive form (not named peril form) actual cash value

basis. Deductibles up to \$250 acceptable.

- (b). Collision - actual cash value basis. Deductibles not in excess of \$500 acceptable.
 - (c). Limit of acceptable liability shall not be less than \$300,000. Any one catastrophe not limited to less than \$10,000 any one vehicle
2. The Contractor shall be responsible for payment of all deductibles contained in any insurance required hereunder.
 3. If, during the term of this Contract, changed conditions or other pertinent factors should in the reasonable judgment of the City render inadequate insurance limits, the Contractor will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Contractor's expense, under valid and enforceable policies, issued by the insurers of recognized responsibility which are well-rated by national rating organizations and are acceptable to the City.
 4. All policies shall name the Contractor as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice date to the City.

City of Novi shall be named as additional insured. Certificates of Insurance evidencing such coverage shall be submitted to City of Novi, Purchasing Department, 45175 Ten Mile Road, Novi, Michigan 48375-3024 prior to commencement of performance under this Contract and at least fifteen (15) days prior to the expiration dates of expiring policies.

The coverage provided shall be primary coverage rather than any policies and insurance or self-insurance retention owned or maintained by the City. This coverage shall be primary to the Additional Insureds, and not contributing with any other insurance or similar protection available to the Additional Insureds, whether other available coverage is primary, contributing or excess.

The Commercial General Liability Policy shall include contractual liability coverage for the Indemnity/Hold Harmless obligation assumed in the Contract.

5. Any potential sub-contractor that may be required for special services as defined in the "Vendor Comment" section of bid proposal MUST be identified at the time this contract takes effect. Any change in sub-contract during the life of this contract MUST be identified AND approved by the City prior to their use. Sub-contractor will maintain the same types and limits of insurance as fixed for the Contractor.
6. The provisions requiring the Contractor to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Contractor under this contract.
7. The City has the authority to vary from the specified limits as deemed necessary.

ADDITIONAL REQUIREMENTS

HOLD HARMLESS/INDEMNITY

1. The Contractor agrees to fully defend, indemnify and hold harmless the City, its City Council, its officers, employees, agents, volunteers and contractors from any claims, demands, losses, obligations, costs, expenses, verdicts, and settlements (including but not limited to attorney fees and interest) resulting from:
 - A. Acts or omissions by the Contractor, its agents, employees, servants and contractors in furtherance of execution of this Agreement, unless resulting from the sole negligence and tort of the City, its officers, employees, agents and contractors.
 - B. Violations of state or federal law involving whether administrative or judicial, arising from the nature and extent of this Agreement.
 - C. The Contractor agrees to defend the City from and against any and all actions or causes of action, claims, demands or whatsoever kind or nature arising from the operations of the Contractor and due to the acts or omissions of the Contractor or its agents, including, but not limited to, acts of omissions alleged to be in the nature of gross negligence or willful misconduct. The Contractor agrees to reimburse the City for reasonable attorney fees and court costs incurred in the defense of any actions, suits, claims or demands arising from the operations of the Contractor under this Agreement due to the above-referenced acts or omissions.
2. The Contractor agrees that it is its responsibility and not the responsibility of the City of safeguard the property and materials used in performing this Contract. Further the Contractor agrees to hold the City harmless for any loss of such property and materials used in pursuant to the Contractor's performance under this Contract.
3. The Contractor shall not discriminate against any employee, or applicant for employment because of religion, race, color, national origin, age, sex, height, weight, handicap, ancestry, place of birth, sexual preference or marital status. The Contractor further covenants that it will comply with the Civil Rights Act of 1973, as amended; and the Michigan Civil Rights Act of 1976 (78. Stat. 252 and 1976 PA 453) and will require a similar covenant on the part of any consultant or subcontractor employed in the performance of this contract.



CITY OF NOVI
TOWING SERVICES
ADDENDUM #1

INTENT: This addendum has been issued to modify and/or interpret the original specifications for the bid/RFP named above. Unless otherwise instructed, the information contained within this Addendum shall take precedence over anything contrary in the original specifications, and shall hereinafter be considered as part of the package.

RESPONSE: The Contractor shall verify receipt of this Addendum on the Proposal Form.

CONTENTS: Included in this Addendum is one (1) page of written addenda description.

QUESTIONS:

1. Would you please advise how many events per year might be involved in this requisition?

Answer: In 2012, there were a total of 912 impounds.

Sue Morianti
Purchasing Manager

Notice dated: April 30, 2013

SAMPLE AGREEMENT

CITY OF NOVI TOWING AND IMPOUNDMENT AGREEMENT

AGREEMENT made this ____ day of June 2013 by and between the **CITY OF NOVI**, a Michigan municipal corporation with its principal offices at 45175 Ten Mile, Novi, Michigan 48375, hereinafter referred to as the "**City**", and _____ with its principal offices at _____, hereinafter referred to as "**Contractor**".

WHEREAS, the City requires towing and impoundment services as a result of the City's Law Enforcement Division, traffic law enforcement and vehicle accident response; and

WHEREAS, _____, has been in business of providing towing services and is capable of providing towing and impoundment services as herein stated; and

WHEREAS, Contractor submitted a proposal for performing said services for the City which has been accepted by the City; and

NOW THEREFORE, in consideration of the foregoing and mutual covenants and conditions contained herein, the parties hereby agree as follows:

1. **Independent Contractor.** The City hereby contracts with _____, as an independent contractor for towing and impoundment of vehicles and related services as required by the state law, city ordinance, and at the direction of the City's Law Enforcement Division. The parties to this Contract intend that the relationship between them created by this Contract is that of service provider and service purchaser. It is expressly agreed, understood and intended that no employee-employer relationship shall exist or be established and that Contractor is an independent contractor who has been retained to render services to the City to achieve specific results in exchange for specified recompense. As an independent contractor, Contractor expressly agrees that: (a) In the performance of this Contract, the relationship of Contractor to the City shall be that of an independent contractor and not that of an employee or agent of the City, and neither Contractor, nor any agent, employee or permitted subcontractor of Contractor, shall be or may be deemed to be the employee or agent of, or a servant to, the City; (b) Contractor will be solely responsible for payment of salaries, wages, and other compensation for its employees and agents; (c) Neither the Contractor nor any officer, agent, employee or subcontractor of the Contractor shall be eligible for coverage under or eligible to receive the benefits of the City's Workers' compensation, unemployment or health insurance, pension plans or other benefit plans; (d) Contractor is and shall perform under this Contract as an independent contractor, and no liability or responsibility with respect to benefits of any kind, including without limitation, medical/health benefits, Worker's compensation, pension rights, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise

SAMPLE AGREEMENT

or accrue to either party as a result of the performance of this Contract; and (e) Contractor, as an independent contractor, is not authorized to enter into or sign any agreements on behalf of the City.

2. **Contract Documents.** The City hereby contracts with the Contractor to provide those services as set forth in the Bid Documents and Specifications including Addendum #___, and Contractor's Proposal, all of which are attached hereto as Schedule A and made part of this agreement.
3. **Contract Term.** This contract shall be for three (3) years, with two (2) renewal options in one (1) year increments solely at the option of the City upon thirty (30) days written notice prior to the expiration date of the original contract beginning July 1, 2013 and ending June 30, 2016. The contract may be evaluated at any time during the contract period. The City may terminate this Contract at any time on seven (7) days written notice to Contractor. The contractor may terminate the contract upon thirty days (30) written notice to the City.
4. **Compliance with Laws.** This Contract shall be subject to all applicable state and federal laws, rules or regulations that apply because the City is a public governmental agency or body. Contractor represents that it is in compliance with all such laws and eligible and qualified to enter into this Contract.
5. **Notices.** Written notices under this Contract shall be provided to the parties at their addresses contained in this Contract by personal delivery or first class mail delivery to the attention of the following persons:

City: Maryanne Cornelius, City Clerk

Contractor: _____

6. **Discrimination.** Contractor and its subcontractors shall not discriminate against any employee or applicant for employment in the performance of such contract with respect to terms of hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment because of his or her age, sex, race, color, religion, national origin, or ancestry.
7. **Severability; Construction.** In case any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal or unenforceable in any respect, this invalidity, illegality, or unenforceability shall not affect the enforceability of any other provision of this Contract. This Contract shall be construed as if the invalid, illegal or enforceable provision had never been contained in it. The remainder of the Contract shall remain in full force and effect. The fact that one of the parties to this Contract may be deemed to have drafted or structured any provision of this Contract shall not be considered in construing or

SAMPLE AGREEMENT

interpreting any particular provision of this Contract, either in favor of or against such party.

- 8. **Governing Law.** This Contract shall be governed by the laws of the State of Michigan.
- 9. **Assignment.** Contractor shall not assign this Contract or any part thereof without the written consent of the City. This Contract shall be binding on the parties, their successors, assigns and legal representatives.
- 10. **Third Parties.** It is the intention of the parties hereto that this Agreement is not made for the benefit of any private third party.
- 11. **Changes.** Any changes in the provisions of this Contract must be in writing and signed by the City and Contractor.
- 12. **Waivers.** No waiver of any term or condition of this Contract shall be binding and effective unless in writing and signed by all parties, with any such waiver being limited to that circumstance only and not applicable to subsequent actions or events.
- 13. **Jurisdiction and Venue of Contract.** This Contract shall be considered for all purposes, including the establishment of jurisdiction and venue in any court action between the parties, as having been entered into and consummated in the City of Novi, Oakland County, Michigan.

IN WITNESS WHEREOF, the parties hereto have executed this agreement on the day and date first above written.

Witnessed by:

CITY OF NOVI
a Michigan Municipal Corporation

BY: Robert J. Gatt, Mayor

BY: Maryanne Cornelius, City Clerk

BY: _____, Contractor