



# Chicago Park District

## Legislation Details (With Text)

<b>File #:</b>	19-1121-0115	<b>Name:</b>	Cellular Infrastructure Management
<b>Type:</b>	Action Item	<b>Status:</b>	Passed
<b>File created:</b>	12/9/2019	<b>In control:</b>	Board of Commissioners
<b>On agenda:</b>	1/15/2020	<b>Final action:</b>	
<b>Title:</b>	AUTHORIZATION TO ENTER INTO A CONTRACT WITH SPAAN TECH, INC. FOR CELLULAR INFRASTRUCTURE MANAGEMENT SPECIFICATION P-19014 -R		
<b>Sponsors:</b>	Revenue		
<b>Indexes:</b>			
<b>Code sections:</b>			
<b>Attachments:</b>	1. MWBE Schedules A & B, and Certification Letters, Spaan Tech		

Date	Ver.	Action By	Action	Result
1/15/2020	1	Board of Commissioners	approved	Pass

**AUTHORIZATION TO ENTER INTO A CONTRACT WITH SPAAN TECH, INC. FOR CELLULAR INFRASTRUCTURE MANAGEMENT**  
**SPECIFICATION P-19014 -R**

To the Honorable Board of Commissioners of the Chicago Park District

### I. Recommendation

It is recommended that the General Superintendent and CEO or his designee enter into a contract with Spaan Tech for Cellular Telecommunication Infrastructure Management. The contractor was selected pursuant to a publicly advertised Request for Proposals ("RFP"). No work may commence and no payment shall be made to vendor prior to the execution of a written agreement.

### II. Award Information

<b>Company:</b>	Spaan Tech 311 South Wacker Drive, Suite 2400 Chicago, IL 60606		
<b>Company Type:</b>	Business Corporation		
<b>Majority Interest:</b>	Smita N. Shah Trust/Smita N. Shaw	100%	
<b>Majority Interests:</b>	None		

Contract Term: 3-year initial term with two additional 1-year extension options.

Contract Amount:	Management Fee:	\$864,065.00
	Extension Option Year 4:	\$432,454.00
	Extension Option Year 5:	\$443,928.00

A percentage of gross revenue (between 5% and 9%) is to be paid to Spaan Tech after a revenue breakpoint is met.

**Scope of Services:** The awardee will, on a daily basis, operate and administer the Chicago Park District (“CPD”) Cellular Telecommunication Infrastructure Program and serve as the principal contact for carriers and installers. The awardee will also be responsible for all aspects of the program, including temporary equipment installations. Services the awardee will provide include, but not be limited to (1) evaluation of existing equipment and infrastructure installations, (2) assessment of market competitiveness, (3) creating and implementing an application process, (4) licensing services, (5) marketing and website services, (6) design and construction services (7) site monitoring.

#### **Affirmative**

**Action Goals:** The Minority- and Women-Owned Participation for this contract include: 95% Minority-Owned and 5% Women-Owned.

**Authorization:** Authorize the General Counsel to include other relevant terms and conditions in the written Agreement. Authorize the General Superintendent to execute the Agreement and the Secretary to attest as to the signing of the Agreement and keep an original copy of the Agreement on file.

### **III. Budget and Financial Information**

Budget Classification:	Operating
Fiscal Year:	2020
Source of Funds:	001.9310. 9310.623130.00001.01.01.00001

### **IV. Procurement Information**

Specification Number:	P 19014-R
Date Issued:	May 23, 2019
Date of Pre-Submittal Meeting:	June 20, 2019
Date Proposals Due:	August 2, 2019
Number of Proposals Received:	Four (4)

This contract was publicly advertised as a Request for Proposals (“RFP”) on May 23, 2019. A total of four (4) proposals were received on the due date and all proposals were found by the Department of Purchasing (“Purchasing”) to be compliant and responsive.

The Evaluation Committee (“EC”) was comprised of seven (7) total members, six (6) CPD staff voting members and one (1) non-voting member. The EC began their evaluation of the proposals at their first meeting on October 4, 2019, where the non- financial proposals were distributed. They met again on October 30, 2019, where the non-financial portion of the proposals were discussed and the financial proposals were distributed. The third meeting was held on November 7<sup>th</sup>, The financial portion of the proposal were discussed. It was decided at the conclusion of this meeting to invite all four (4) proposers to oral presentations. Oral presentations were held on November 14<sup>th</sup>, and each session lasted approximately one (1) hour. The EC met once following oral presentations, and at the end of their meeting they decided to send a request for Best and Final Offers to all proposers. Purchasing received the Best and Final Offers on November 19<sup>th</sup>, and the EC met on December 6<sup>th</sup>, to continue their evaluation and review of the Best and Final Offers. The EC concluded their evaluation by unanimously scoring Spaan Tech the highest.

## V. Explanation

The Park District’s Cellular Telecommunication Infrastructure Program generates revenue through the permitting of space on park property to cellular carriers to install telecommunications equipment which improves data service for cellular consumers. The Park District currently has nearly 80 installations located throughout the District most of which are small antenna “nodes” on existing infrastructure. In addition, there are more than 20 temporary installations annually which support large scale special events. Collectively, these represent nearly \$1.4M in annual gross revenue to the District’s general operating fund last year.

SPAAN Tech has 22 years of experience as a program management, construction management and engineering design firm specializing in public and private infrastructure and has most recently created and operated a successful cellular management program for Chicago Department of Transportation. For the Park District they will provide cellular carriers with an efficient and professional application process. Primary duties will include creating an online application process and managing the licensing process. The application review is extensive and includes, among other things, analysis of architectural drawings, site surveys, site maps, renderings and construction methods; visits to sites; evaluation of condition of poles, foundations or other infrastructure, proposed equipment placement and routing of underground conduits. SPAAN Tech will then recommend proposed installations to the Park District for approval. Lastly they will conduct regular inspections and maintain records.

By bringing on a dedicated team with the skill set and experience in the telecommunications infrastructure industry, the Park District anticipates optimizing numerous opportunities from the high demand of this growing business sector. If the telecommunications industry growth continues as anticipated, in Year 3 of the contract there is the potential to bring in \$1.5M of net new revenue beyond the nearly \$1.4M the program currently generates annually.

SPAAN Tech Incorporated has the experience, capability, and personnel necessary to deliver the services required in this contract, and it is therefore in the best interest of the Chicago Park District to award SPAAN Tech the contract for management of cellular infrastructure.

## VI. General Conditions

1) *Conflicts*: No agreement authorized herein shall be legally binding on the Chicago Park District if entered into in violation of the provisions of the Public Officer Prohibited Activities Act, 50 ILCS 105/0.01 et seq.

2) *Ethics*: The Chicago Park District’s Ethics Code, Chapter III of the Code of the Chicago Park District, shall

be incorporated into and made part of all agreements authorized herein.

3) *Contingent Liability*: Any agreement lawfully entered into for a period of more than one year shall be executory only for the amounts for which the Park District may become liable in succeeding fiscal years pursuant to Section 17(i) of the Chicago Park District Act, 70 ILCS 1505/17(i). All agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year budget.

4) *Economic Disclosure Statement ("EDS")*: Contractor has submitted a full and complete EDS prior to execution of the contract.