



AGENDA

Finance Committee
Special Meeting
Village Hall

1900 Hassell Road, Hoffman Estates, IL 60169

December 16, 2024

Council Chambers

7:00 PM

1. **CALL TO ORDER/ROLL CALL**

2. **PUBLIC COMMENT**

3. **NEW BUSINESS**

A. Authorization to enter into a multi-year Snow Removal Agreement with Snow Systems, Wheeling, IL to provide snow plowing services for the NOW Arena.

4. **ADJOURNMENT**

Further details and information can be found in the agenda packet attached hereto and incorporated herein and can also be viewed online at www.hoffmanestates.org and/or in person in the Village Clerk's office. The Village of Hoffman Estates complies with the Americans with Disabilities Act (ADA). For accessibility assistance, call the ADA Coordinator at 847/882-9100.



AGENDA ITEM REPORT

Finance Committee
December 16, 2024
ITEM 3A

REQUEST: Authorization to enter into a multi-year Snow Removal Agreement with Snow Systems, Wheeling, IL to provide snow plowing services for the NOW Arena.

FROM: Ben Gibbs, General Manager - NOW Arena
Dan O'Malley, Deputy Village Manager

ITEM TYPE: Agreement - Committee

REQUEST SUMMARY

Since 2018, the NOW Arena has contracted with Tovar Snow Professionals for snow removal services covering the East Lot, West Lot and loading dock. These services covered snow removal for the parking lots only as sidewalks and other areas are handled by the NOW Arena staff. The agreement with Tovar was on an annual basis and renewals occurred in early fall of each year. The NOW Arena was satisfied with the snow removal service provided by Tovar. This past September, Tovar informed the Arena that snow removal services would not be offered in 2024-2025. No reason was given, and Tovar declined to negotiate a new contract for services. As a result, the NOW Arena solicited other vendors to provide this service.

The NOW Arena received three proposals for snow removal services: KAP Services, Ryco Landscaping and Snow Systems. Below is the evaluation of each:

- KAP Services: Rates are based on “per push”, which means there is no upfront cost, payment occurs when there is 1+ inches of snow on the ground. KAP’s rates are the lowest submitted and they were a subcontractor for Tovar having a good understanding of the property. Following an interview with KAP, there was a concern about the company’s ability to meet the arena’s service needs. This company is relatively small with no redundant equipment in case of mechanical issues with the equipment assigned to the NOW Arena. Consequently, it was deemed that KAP would not be a viable vendor due to the risk of not being able to guarantee that parking lots would be cleared prior to an event when necessary.
- Ryco Landscaping: Rates are based on “per push” but are 5 times more expensive than the lowest submittal. Ryco is a larger company with high quality equipment, but their rates are the highest submitted.
- Snow Systems: Rates are a hybrid of “per push” along with an upfront payment to offset the costs of providing heavy equipment on property during the duration of the winter season. The upfront cost is \$28,500, broken into several payments over the course of the season. The upfront cost ensures Snow Systems availability of equipment for arena snow events and provides the vendor

payment for their equipment even if there is minimal snow and billable hours. Additionally, Snow Systems offers the lowest “per push” rate compared to the other submittals.

Taking all costs into account, Snow Systems is the least expensive option of the vendors that can meet the arena's snow removal service needs. Based on this, Snow Systems is recommended for this contract. They are a national company, but headquartered locally, and have extensive equipment in the area for backup if needed. The equipment is high quality and there is redundancy in the case of equipment failure. Furthermore, Snow Systems already provides services at the Schaumburg Convention Center and understands the urgency to clear snow in anticipation of a public event. The agreement locks the rate for three years, but can be canceled following each season at the arena's option if necessary.

FINANCIAL IMPACT

The three-year agreement provides for fixed fees as well as per push (snow event) and hourly rates per the agreement. Consequently, the expense for services will be variable and weather dependent. The funding for this expense is covered in the arena operating budget.

RECOMMENDATION

Authorization to enter into a multi-year Snow Removal Agreement with Snow Systems, Wheeling, IL to provide snow plowing services for the NOW Arena pursuant to the agreement attached.

ATTACHMENTS

1. NOW Arena Snow Removal Agreement

SNOW SYSTEMS®

Eliel Cardenas
Oak View Group /Now Arena
5333 Prairie Stone Parkway
Hoffman Estates, IL 60192

SNOW REMOVAL PROPOSAL

Specifically designed for:

Now Arena
5333 Prairie Stone Parkway
Hoffman Estates, IL 60192

Snow Program

When a typical mid-western storm threatens the Chicago Metro area **Snow Systems**, with 45 years of experience, commences its operations. **Snow Systems** will create a winter environment that promotes safety as well as complete accessibility to your site. This is only possible through extensive planning and careful execution. Since microclimates do exist in our area, it is imperative that a precise weather-reporting program is in place. Four times an hour weather reports are called in to our command center; this assists us in proper equipment allocation. Larger vehicles or front-end loaders will assist areas that receive heavier accumulations of snow. The following program has been designed to assure a safe working environment for all customers and employees.

Scope of Work

Snow plowing operations shall include plowing of all drives, roadways, parking areas and fire hydrants at the above property, but specifically excludes trucking of or moving snow piles within the site. Time and material rates will apply for moving or re-stacking of snow piles. Without normal snow melt off, snow piles may become too large and can obstruct parking stalls or signage, should this occur Time and Material Rates will apply. Operations shall commence when snow accumulation reaches a depth of one (1") inch. During heavy or ongoing snow exceeding three (3") inches accumulation, roads shall be plowed as necessary to permit safe access and egress for emergency vehicles. Snow falling at night will be plowed within five (5) hours after the snow has stopped falling. Snow falling during the daytime business hours will be plowed and ice control agents (sodium chloride) will be applied to keep all roadways and entrances accessible. **Snow Systems** will return during the night to plow previously obstructed parking areas. Blowing and drifting snow will be plowed when drifts reach a depth of two (2") inches. Ice control agents will be applied as conditions warrant. **SIDEWALKS NOT INCLUDED** All callouts and start times will be communicated by the Now Arena to our dedicated snow systems manager. Snow Systems acknowledges the NOW Arena regularly hosts events, which may occur outside the timeline as detailed above. As such, Snow Systems agrees to plow the property to ensure accessibility for customers at least three hours prior to the commencement of the event. NOW Arena events can occur at various times, especially in the evening and weekends. NOW Arena will work with Snow System's manager to create the most efficient deployment of equipment and labor to ensure the property is accessible for customers without creating additional snow plowing and unnecessary expense for Snow Systems.

Per Push Agreement

Per Push pricing includes the snow plowing of all available parking spaces and areas as directed by owner. Any return trips that may be necessary due to areas that were previously obstructed will result in an additional per push (or hourly) charge as outlined. Salting will be applied as conditions dictate or whenever a safety condition exists. Snow fall total reports are available after the storm. In the event of an ice storm, salt will be applied as necessary to remove the ice, the accumulation is calculated at a 10:1 ratio (this means .10" of ice is the equivalent of 1" of snow) and will be invoiced accordingly.

Seasonal Agreement

The seasonal agreement only covers the staging costs for the wheel loaders to be staged onsite. This staging fee is broken into 5 Payments, Invoiced November through March. These fees are for the equipment to be delivered and staged for the entire winter season.

Limits of Liability & Landscape/Damage Guarantee Limits

Snow Systems shall provide upon written request, written evidence of comprehensive and general liability insurance, along with proper workers compensation insurance. **Snow Systems** we will exercise reasonable care to avoid damage to pavement, curbs, turf and plant material. However, we cannot be responsible for damage to items which are not visible, properly marked or snow covered. If additional deicing events become necessary due to clogged gutters, roof defects, broken pipes, fire hydrants, ponding parking areas or any other flooding; we will deice the area however, these services are not included in a seasonal contract as they are not due to natural winter events. These events would be invoiced per bag or per ton that is applied. Our guarantee covers any landscape damage that has expired due to the effects of snow plowing equipment.

We will repair 100% of the damage caused by snow plow equipment in the spring following the snow season. If there are any other damages to the property (i.e. curbs, bumper blocks) we will repair these in the spring. Snow Systems will not be responsible for any property or landscape damage caused by the use of ice control agents (i.e. sodium chloride). Exception: If the customer requests that Snow Systems push any snow on to landscape or grass, then Snow Systems will not be liable for damage to these areas. Snow Systems cannot be liable for any slip & falls, accident etc because the decision to service (or not) is at the discretion of Now Arena, unless Snow System is grossly negligent in the rendering of snow removal services.

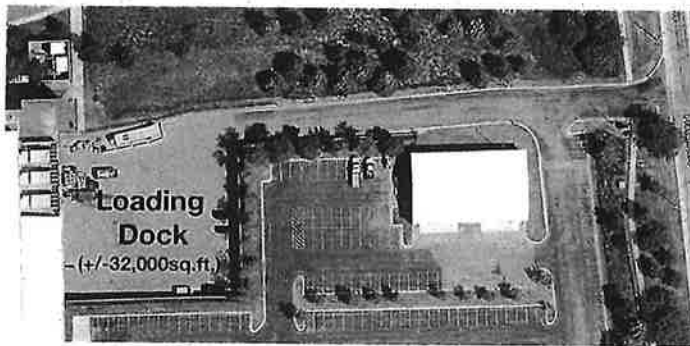
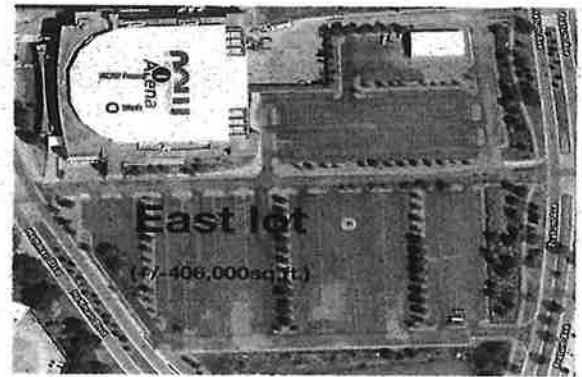
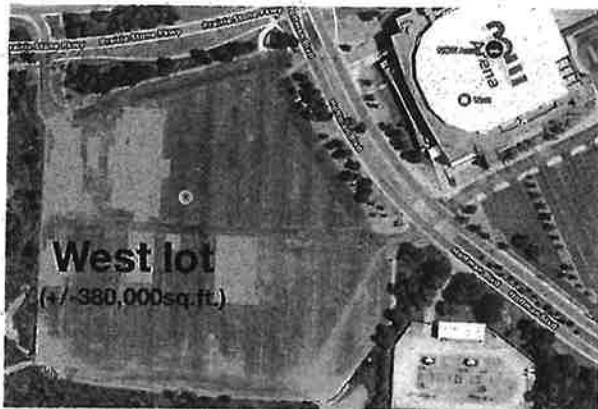
Snow Systems shall indemnify, defend and hold harmless NOW Arena, Village of Hoffman Estates, Global Spectrum d/b/a Oakview Group and NOW Food Group (Indemnitees) and each of their respective affiliated entities, successors and assigns, and all of the officers, directors, partners, officers, agents, representatives and employees (the "Indemnitees") of the foregoing from and against any and all losses, claims, liabilities, damages, costs, and expenses (including, without limitation, reasonable attorneys' fees and court costs) arising out of, in connection with or resulting from: (i) the failure to comply with any applicable law or regulation or breach of this Agreement by Snow Systems or any of its employees, agents or contractors; (ii) the acts or omissions, including negligence or willful misconduct, of Snow Systems or any of its employees, agents or contractors, (iii) the personal injury or wrongful death of any of Snow Systems employees, agents, or contractors as a result of the services provided herein. This Section shall survive the expiration or earlier termination of this Agreement.

Insurance. Snow Systems (Contractor) shall obtain and maintain, at its own cost and expense, commercial general liability insurance that insures all operations of Contractor (including, without limitation, the operations of Contractor as contemplated herein) and Contractor's contractual undertaking of liability hereunder. Such insurance shall have a minimum limit of at least \$1,000,000 per occurrence, \$2,000,000 in the aggregate and shall provide coverage for bodily injury (including death), property damage, and personal and advertising injury. Contractor shall cause such insurance to be endorsed to provide that it be primary to and not contributory with any insurance coverage or self-insurance program of any of the Indemnitees. Contractor shall also cause such the Indemnitees to be added as additional insureds on such policy and contain a waiver of subrogation in favor of the additional insureds. Contractor shall also maintain, at its own cost and expense, workers' compensation insurance in respect of all of its employees, including any that are borrowed or leased. If Contractor is operating vehicles in connection with its performance of the SOW, Contractor shall maintain, at its sole cost and expense, commercial automobile liability insurance, including coverage for the operation of owned, leased, hired and non-owned vehicles, in the minimum amount of \$1,000,000 per accident, combined single limit for personal injury and property damage.

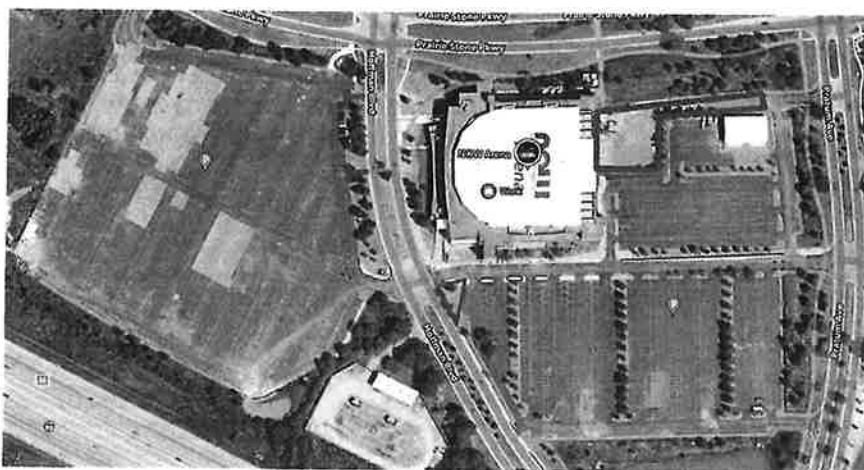
Major Snow Events & Snow Removal or Relocation

Any major snow event involves planning and implementation. Our staff plans this in the fall and equipment is then scheduled. A large or multiple back-to-back snowfalls of eight inches (8") or more may result in the delay of timely completion of services. After multiple snow storms and freezing temperatures, snow piles often become too large and need to be removed or relocated on the property. If snow removal becomes necessary, this equipment shall be billed according to the Time and Material Rates below. Rates are portal to portal. Travel time will be calculated from the site nearest yours and their return. (Minimum of three hours). Any restacking or snow relocation that is requested by the customer will be billed at the Time and Material rates.

Site Map of Areas included:



BELOW INDICATES NO SNOW PILE ZONES IN RED:



Snow Removal Agreement

Seasonal Staging Fees:

Annual Mobilization of (2) Wheel Loaders onsite:	\$50,000.00
Credit for (1) Lower Level Suite (see attachment A)	-\$21,500.00
Remaining Balance for Wheel Loader Staging Invoiced in 5 payments of \$5,700.00 (Nov – March)	\$28,500.00

Per Push & Hourly Rates for Snow Events:

When a winter snow storm occurs, the plowing and salting service will be billed at the follow rates. These rates cover snow removal of the entire property including the East and West Parking Lot along with the Loading Dock

0-1.9"	2-2.9"	3.0 - 4.9"	5.0 - 7.9"	Lot Salt App
\$1,450	\$1,800	\$2,150	\$2,600	\$3,600

During events, if equipment is requested to keep isles open, that equipment will be billed at the hourly rates listed below. This will usually be pick up trucks with plows. **Sidewalks not included*.

Hourly Time and Material Rates

<u>TYPE</u>	<u>HOURLY RATE</u>
Trucks with 8' Snow Plows	\$155.00
Trucks with 10' Snow Plows	\$165.00
Skid Steer Loader with 1Yard Bucket	\$125.00
Rubber Tire Wheel Loader w/ 3 Yard Bucket	\$180.00
Hand Laborer with Shovel or Snow Blower	\$68.00
Salt Trucks (per ton applied)	\$225.00
Bag Salt (Calcium Chloride) 50 # bag	\$44.00
Pusher Plows: 10', 12', or 14'	\$45.00
Pusher Plows: 20', 24', or 30'	\$68.00
18 Cubic Yard Dump Truck	\$160.00
Airport Style Snow Blower	\$650.00

2024-2027 Snow Removal Agreement

PERIOD OF COVERAGE – November 1 – March 31st, 2027

Snow and ice control services are to be rendered for the entire winter season (November 1st thru March 31st). Any services performed prior to and beyond these dates are to be billed at the rates specified on the Time and Material Rate Sheet. **Snow Systems** will be on call 24 hours a day for the entire winter season. Upon signing of this agreement, you will be furnished with a list of phone numbers to contact **Snow Systems** at any time.

TERMINATION: Either party has the right to terminate the contract at any time with 30 days written notice. However, the annual mobilization fee must be paid in full for the current season that we are in.

INVOICING & TERMS

All services for seasonal customers are billed on the first of every month starting November 1. Terms of payment net **30 days**. Per Time invoices are billed immediately following the snow event. All invoices are due 30 days from date of invoice, otherwise each invoice will be subject to a late fee of fifteen percent (15%) per month. If there is a dispute with an invoice, it must be addressed in writing within 10 days from receipt of the invoice. After this 10-day period, an invoice cannot be disputed. If it is a seasonal agreement, invoices are sent out the first of each billable month. No service will be rendered for any invoice outstanding 45 days from date of invoice. If payment is not being met according to these terms, then **Snow Systems** will not be responsible for damage to the property or property damage that may exist or any issue that result from **Snow Systems** not servicing the property. If payment is not received within the terms the customer will pay all reasonably attorneys' fees, service charges, and interest involved in collections. In the event of termination prior to the end of the contract term, the customer agrees to pay, in addition to any charges for services rendered prior to termination, 90% of the service charge remaining for the current winter season we are in, to be paid for the unexpired term of the agreement as liquidated damages (but not as a penalty). Failure to pay amounts when due shall give Snow Systems, in addition to any other remedies, the right to terminate this agreement and to charge interest at the highest legal rate of the delinquent amounts. Snow Systems and NOW Arena agrees to pay all costs, expenses and fees of the prevailing party in enforcement of this agreement, including collection expenses, court costs, and attorney fees. Snow Systems reserves the right to add a surcharge on salt prices if there is another national salt shortage. Each contract is guaranteed (30) salting's per location, per season at the contract price. If the number of salting events exceeds this, and there is a salt shortage, additional charges for cartage may be applied.

CONTRACT DOCUMENTS ENTIRE AGREEMENT

The contract documents for this Agreement shall consist of the document titled Snow Removal Proposal and 2024-2027 Snow Removal Agreement. The contract document represent the full and complete understanding and agreement of the parties and may not be modified unless in writing signed by both parties.

GOVERNING LAW AND JURISDICTION

This Agreement shall be construed according to the laws of the State of Illinois. The Parties agree that the proper jurisdiction and venue for any disputes arising under this Agreement shall be in the Circuit Court of Cook County, Illinois.



Agreement as Outlined

By signing below, I understand and agree to all of the terms and conditions listed in this agreement.

ACCEPTED: _____
NOW ARENA

DATE: _____

ACCEPTED: Stacy Hanson
SNOW SYSTEMS

Title: Director of Sales Date 12/12/2024