

**2012 Budget Hearing Statement**  
**Rosemary Krimbel, Commissioner**  
**Department of Business Affairs and Consumer Protection**

Good Morning, Chairman Austin and members of the City Council. I'd like to introduce myself and my team. My name is Rosemary Krimbel. I have been with the City since 1999, working in the Law Department for 7 years; with Consumer Services for 3 years, and with this department since its creation in 2009. Prior to joining the City, I was an attorney with Schiff Hardin and prior to that, my husband and I owned a small business for 4 years. Seated to my left is Peter Ferro, our Finance Manager, and to my right, Gregory Steadman, the Local Liquor Control Commissioner. I'd like my senior staff to introduce themselves by name and title.

Thank you for the opportunity to speak to you today. It has been an exciting year, and the Department of Business Affairs and Consumer Protection has achieved much this year and hopes to accomplish much more in FY2012.

I'd like to start with an introduction to the Department for our newer members: BACP's **mission** is to ensure a fair and vibrant market place for both businesses and consumers.

**BACP:**

- Licenses nearly 80,000 businesses over 100 different license types, including liquor licenses,
- Licenses approximately 10,000 public passenger vehicles, including taxis and liveries,
- Licenses more than 12,000 public chauffeurs,
- Prepares more than 2,000 Public Way Use ordinances and permits, including more than 1,000 sidewalk café permits and 1,000 permits for other commercial uses of the public way,
- Process more than 10,000 consumer complaints per year, including complaints regarding retailers, public passenger vehicles, and various types of fraud and deceptive practices,

**We:**

- Enforce truck weight to protect City bridges, streets, and infrastructure,
- Test and seal weighing & measuring devices throughout the City, including fuel pumps and commercial scales,
- Certify APS – alternative pricing systems – in retail stores,
- Enforce licensing laws to assure that all businesses are properly registered and licensed,
- Investigate and prosecute sales of alcohol to minors and tobacco sales to minors, as well as assuring that all tobacco sales have proper tax stamps from the City and County,
- Regulate cable television franchisees in the City of Chicago,
- Provide free Educational Seminars to entrepreneurs, including one-on-one counseling for small businesses in the areas of business planning, legal advice, and access to capital, and



- Distribute information and tips on how to be a smart consumer by detecting scams on a wide array of topics such as home repair fraud, credit repair and mortgage fraud.

Finally, in addition to licensing businesses, we discipline and regulate businesses, prosecuting businesses that operate without a license, assuring that City debt is collected through licensing and enforcement, and prosecuting businesses that commit unfair and deceptive practices. Because bad businesses undercut and hurt compliant, good businesses.

The 2012 Budget Recommendation for the Department includes 172 positions in the Corporate Fund compared with 187 positions last year. As part of Mayor Emanuel's mandate to reduce senior staff, BACP reduced the number of deputy commissioners by 2 going from 7 deputies to 5. In addition, the Department eliminated 13 other positions, most of which were administrative or management, including one Assistant Commissioner. Passing the 2012 Budget Recommendation will produce a net savings of \$755,000 in salary costs.

But we didn't save the citizens of Chicago money simply by deleting vacancies and cutting management staff, we also reviewed department costs and re-structured the department to take best advantage of our resources and people. For example, in 2011, we

- Closed the administrative offices on the 2<sup>nd</sup> Floor of the Daley Center and merged equipment and personnel into our City Hall location, ending leases for redundant equipment and eliminating the cost of providing the same services at two locations across the street from each other, for a savings of \$42,000 annually.
- Eliminated all desk phones for investigators— as they all have City-issued cell phones or direct connect phones – this saved and will save more than \$10,000 a year,
- Eliminated unnecessary mobile phones and mobile phone service from desk-bound employees for a savings of \$20,000 per year.
- Eliminated payments to members of the Cable Commission, for a savings of \$80,000 per year,
- Restructured our Outreach and Education unit to leverage our relationships with outside organizations, such as local chambers of commerce and other community based organizations to disseminate business and consumer information, for a savings of more than \$100,000 per year,
- Since 2005, businesses have had the option of renewing a business license online, and more than 50% now renew online. Starting in 2012, BACP will move all renewals to online. Businesses will benefit from a user-friendly renewal interface, allowing City employees more time to process new business owners licenses and in-person inquiries. The city will potentially realize a savings of up to \$50,000 in postage and printing by eliminating mailed renewal application packets and employee time spent processing renewals.

The year has not been all about cost savings, but also about reforming how BACP provides its services. Mayor Emanuel's first order for BACP was to simplify business licensing. BACP has



worked to reform licensing by reducing the number of times an inspector visits a business. The recently passed license streamlining ordinance removed 16 unnecessary and redundant inspections across 9 different types of licenses, without impacting public safety. **This change is only the first step in a series of licensing reforms that BACP is working towards to simplify City licensing.**

To track and measure our efforts, we have added a data portal for each of the 9 license types to Socrata online for open access. This data added to the existing Retail Food and Limited Business license data online will not only help us to track our transaction times to issue licenses, but will give businesses the average time and median time that it takes to license each type of business - so that businesses will **know** how much time they need to allot for licensing a business in the City.

Speaking of online, this year BACP redesigned its web presence to make it easier to find information, documents, rules, and FAQ's at [www.cityofchicago.org/bacp](http://www.cityofchicago.org/bacp).

In 2011, BACP streamlined the APS certification process, making it easier for retailers to get APS certification. New enforcement strategies untethered the APS certification program from enforcement, allowing businesses to certify their systems and eliminating a backlog of more than 1,000 businesses awaiting certification. This allows business to manage their business rather than manage City inspections – while continuing to provide consumer protection.

Under Mayor Emanuel's administration, BACP is currently working to update taxi regulation. The City of Chicago is home to one of the largest taxicab population in the country – yet the ordinances governing its regulation have not been comprehensively overhauled since the mid-90's. With the assistance of Mayor Emanuel, BACP is working with several pro bono consultants to compile benchmarks from 12 other cities and establish proper incentives – both economic and practical – to regulate the industry better and smarter. **Our key goals:**

1. **Safer Roads-** Reducing accidents and increase pedestrian safety in the central business district.
2. **Green Incentives-** Increasing the number of clean and alternative fuel taxis.
3. **Lease Rates-** Creating standardized leases that make economic sense for industry, the public, and the City.
4. **Simplify the Laws-** modernizing the municipal code so that the language is clear and easy for industry to follow and for us to enforce.
5. **Access to Everybody-** Increase taxi accessibility for passengers with disabilities, our senior population, and local neighborhoods.

This year with the aid of funding from various federal programs that give incentives to the public vehicle industry to purchase cost-effective hybrid and alternative fuel vehicles, BACP hopes to add more than 100 new green vehicles to the taxi fleet in Chicago. To help educate the public and keep our streets safer, BACP partnered with CDOT to create a "How's My Driving – Call 311" bumper sticker, which will be placed on all City taxicabs by early 2012.



## **Conclusion**

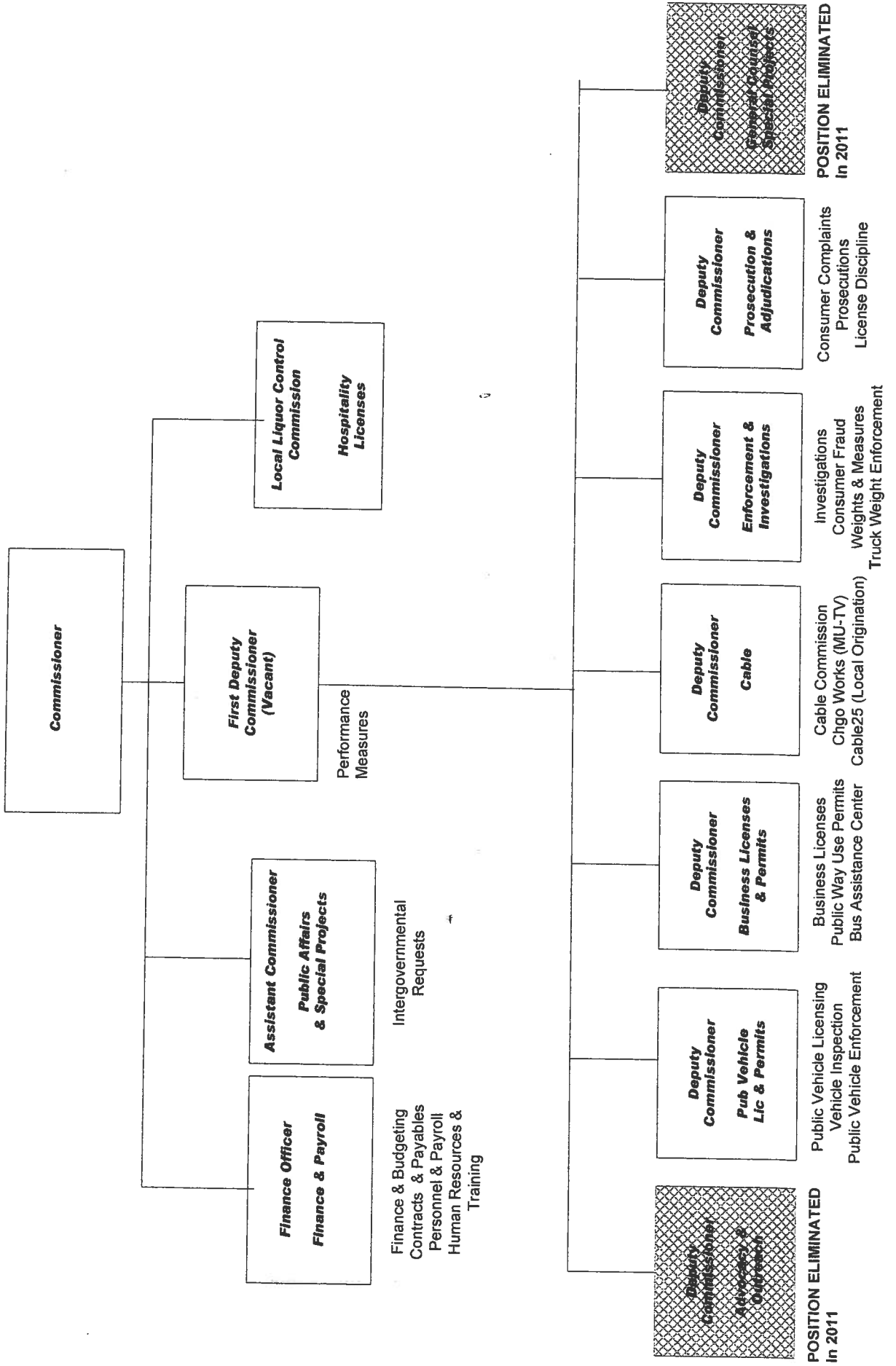
In closing, I'd like to thank the Mayor for his trust and confidence in me, my team, and the Department. I would personally like to thank my senior staff here today. Without them, this department could not do all that it does – nor could it do it as well as it does. I speak for the entire department, when I say that we look forward to working with the Mayor and City Council to foster and promote continued small business growth, simplified regulatory enforcement, and open access to data, resources, and education for both businesses and consumers.

Thank you for your time.



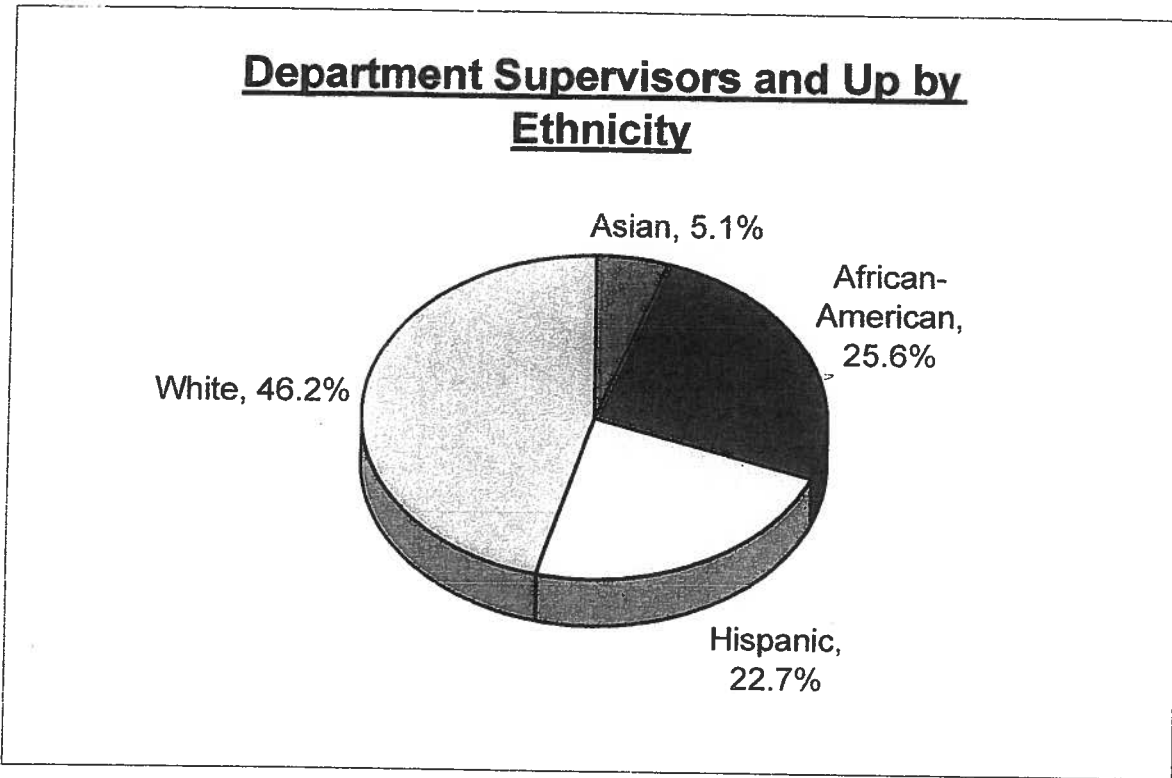


# Department of Business Affairs & Consumer Protection





**Department of Business Affairs and Consumer Protection  
2012 Budget  
Council Review**



**Supervisors and Up  
by Ethnicity**

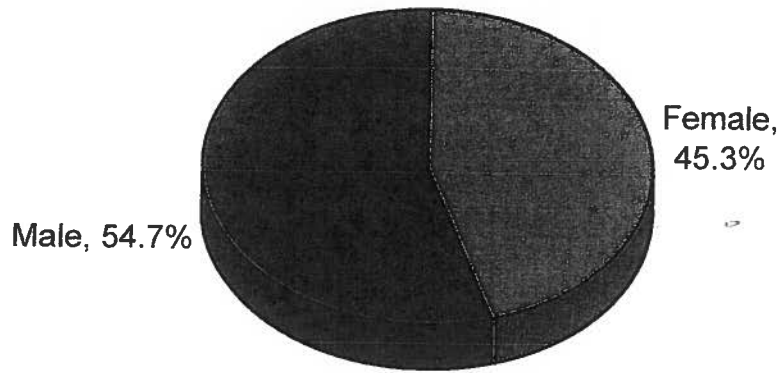
Asian	5.1%	2
African-American	25.6%	10
Hispanic	23.1%	9
White	46.2%	18
<b>Total</b>	<b>100.0%</b>	<b>Total 39</b>

\*Supervisors defined by having title and reporting staff.



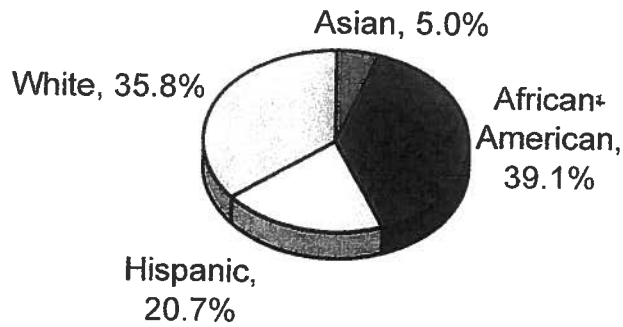
**Department of Business Affairs and Consumer Protection  
2012 Budget  
Council Review**

**Department Totals by Gender**



<b>Gender</b>			
Female	45.3%		81
Male	54.7%		98
Total	100.0%	Total	179

**Department by Ethnicity**



<b>Ethnicity</b>			
Asian	5.0%		9
African-American	39.1%		70
Hispanic	20.1%		36
White	35.8%		64
Total	100.0%	Total	179



**Business Affairs and Consumer Protection  
Budget Hearing EEO Data**

**MBE/WBE participation numbers**

Spent on African American	\$100,896.31	29.76%
Spent on Asian American	\$14,732.53	4.35%
Spent on Hispanic American	\$49,000.00	14.46%
Spent on Minorities	\$164,628.84	48.57%
Spent on Women	\$12,958.51	3.82%
Spent on Minorities & Women	\$177,587.35	52.39%
<b>Total Dollars Spent</b>	<b>\$338,980.02</b>	

**EEO for all staff and management**

Ethnic Origin	All Employees			Supervisors and Up		
	Total	Female	Male	Total	Female	Male
Employee Counts						
Asian	9	4	5	2	2	0
Black or African-American	70	37	33	10	4	6
Hispanic	36	15	21	9	1	8
White	64	25	39	18	6	12
<b>Total</b>	<b>179</b>	<b>81</b>	<b>98</b>	<b>39</b>	<b>13</b>	<b>26</b>

**EEO for new hires**

Race	Gender	Title
Caucasian	Female	Business Consultant
African-American	Male	Senior Busines Consultant

**Vacancy eliminations Titles**

Administrative Assistant II  
Assistant Commissioner  
Consumer Investigator II  
Deputy Commissioner (2)  
License Clerk in Charge  
Producer/Writer

Projects Administrator  
Public Vehicle Inspector  
Senior Public Vehicle Inspector  
Staff Assistant  
Supervising Consumer Investigator





**FY 2012 Budget Statement**  
**OEMC**  
**October 24, 2011**

Good morning Chairman Austin and members of the City Council.

I am honored to stand before you today to discuss the 2012 budget request for the Office of Emergency Management and Communications (OEMC). Our efforts will be concentrated in strengthening our core competencies of providing support to City services.

The OEMC must concentrate on its core functions through integration of its existing capabilities, eliminating unnecessary functions and exploring new, effective and efficient operations to maximize the OEMC's full potential.

In FY 2012, OEMC will be able to maintain service levels by more efficient management of staff. The OEMC will continue to carry out its core function of support, including its 911 and 311 operations, achieving integration not only among City services, but also with Cook County and the State of Illinois. Integration, and its inherent collaboration, is an absolute necessity for the OEMC and the City of Chicago.

In 2012, the OEMC will:

- Provide the backbone of support to Chicago Police and Fire operations;
- Serve as the center for emergency operations and large scale City events;
- Serve as the leading element for integration of City services;
- Provide effective and efficient traffic management for special events and unusual traffic conditions;
- Consolidate and maximize technology functions from City public safety departments;
- Explore and lead the expansion of City agency radio communications beyond just Chicago Police and Fire;
- Implement a transparent, accountable process both for acquiring and allocating Homeland Security grant funds, and;
- Expand upon current partnerships to more efficiently deliver resources.

These efforts for 2012 will continue our concentrated focus on effective and efficient public safety and integration of City services.



## **911 Operations**

The OEMC operations include transmitting voice and data radio systems in order to provide Chicago Police and Fire personnel with required information to help them respond to emergency situations.

The OEMC has taken the first steps toward being the first 9-1-1 Center in the Nation capable of interfacing with new technologies, including the ability to send and receive Multimedia to and from cell phones operating in the City of Chicago.

To this end, the OEMC must continue its efforts to maximize effectiveness, explore innovative ideas, and unify every available effort to enhance the safety and security of the City.

## **311 City Services**

In 2012, 311 City Services will continue providing the most efficient delivery of services possible. Many of these services entail non-emergency requests for police.

The OEMC and the Chicago Police Department are collectively working on a long-term 911 Call Diversion Plan to alleviate non-emergency responses by officers on the street and diverting these calls through 311 to the Alternate Response Unit co-located with 311 City Services. These continuing efforts will free police officers time to handle emergency response in the neighborhoods where their services are most needed.

The 311 Center will continue to take City service requests and forwarding them to the appropriate departments, thus reducing the cost of duplicating these functions in the respective City Service departments.

Earlier this year, 311 employed the latest in technology to provide Chicago residents and visitors with answers to commonly asked questions. The new 311 ChiTEXT Text Messaging service allows users to select an option from a menu of information and receive a response in the form of an authentic text message from the City of Chicago.

In 2012, the OEMC will take the lead in the integration of City services. While most often supporting the Chicago Fire Department and Chicago Police Department, OEMC has already begun integrating technology and operational procedures to support City services such as Streets and Sanitation, Department of Family and Support Services and the Chicago Department of Public Health.

The department has received tremendous cooperation from our private sector partners, such as Commonwealth Edison, and has developed more effective and efficient means of addressing emergency situations.



By maximizing the effectiveness of the OEMC's Operation Center (OC) through the integration of the City Incident Center and the introduction of a proposed Watch Officer system, OEMC will maximize the application of City services on a daily basis and thereby prepare the City of Chicago for a more effective emergency response. The long-term goal is to have all appropriate City agencies represented in the OEMC through virtual, and when practicable, physical representation.

Through the integration of data and connectivity, we want the OEMC to be able to present a broad spectrum of City operations, from real estate foreclosures to identifying potential crisis areas of the City, from truancy information to interruption or failure of City services.

### ***Technology***

Last month, OEMC resurrected The Public Safety Information Technology (PSIT) group. The purpose of this group is to consolidate technology functions from City public safety departments, in order to work towards capitalizing on efficiencies and innovations to ensure service effectiveness. To date, consolidation has allowed the City to begin sharing technology solutions, combining purchases to realize reduced costs, and redeploying full duty sworn officers to the street.

In 2012, the OEMC, through the Public Safety Information Technology group, will work to establish a robust technology life cycle composed of procurement, maintenance, and replacement. The OEMC will work to maximize fixed assets, including camera, radio, and fiber optic systems, to provide both City services and private sector partners with timely, relevant information necessary for executing their respective functions.

Current and ongoing reductions in grant funding will necessitate a prioritization between the necessary and preferable, which will continue to be carried out in coordination with both City services and private sector partners.

The OEMC will collaboratively work with principal public safety departments and relevant stakeholders to compose a radio replacement plan, as well as an agreement on camera systems to ensure unity of effort in installing, maintaining, and replacing these vital technologies. This will include efforts with the State of Illinois and Cook County to standardize systems and interoperability beyond the technology spectrum.

### ***Traffic Management Authority***

This year, the OEMC, the Chicago Department of Aviation and the Department of Revenue began an initiative for improving coordination of traffic management and parking enforcement.



This initiative reduced the number of full-time TCAs in the Loop and at the airports through a combination of lay-offs and elimination of vacancies. The move is part of the \$75 million worth of savings announced by the Mayor on May 17th, designed to save \$2.3 million in 2011 and \$5 million in 2012.

Part-time TCAs will be utilized in the Loop for unusual traffic conditions surrounding special events, emergencies and construction projects.

The new deployment will target traffic hotspots, rather than blanket coverage on daily posts – a smarter, more efficient way to manage traffic.

### ***Reform Grant and Project Management***

In 2012, the OEMC will continue to implement a transparent, accountable process both for acquiring and allocating Grant funds, and for measuring the efficiency and effectiveness of the resultant projects in accomplishing OEMC's mission.

OEMC will work to build effective relationships and robust business processes to ensure that taxpayer dollars are budgeted and allocated in the most efficient manner possible.

A Project Review Board will work to collaboratively identify cross-divisional priorities and drive coordination among multiple stakeholders on grant applications, fund allocations, and project execution decisions.

The Board will serve as a structure to ensure both maximum efficiency of the use of taxpayer dollars, as well as more general organizational effectiveness.

It will monitor the progress and effectiveness of all projects funded by the Department of Homeland Security Grants throughout the City and eventually with Cook County and the State of Illinois.

### ***Increase Partnerships with Local, State and Federal Governments***

In 2012, the OEMC will continue to work with Cook County and the State of Illinois to enhance the safety and security of residents in Chicago and Cook County. Seamless integration among local, regional, state, and federal partners is vital to the OEMC's responsibility of protecting lives and property in the City of Chicago.

In September, the City, Cook County, and State of Illinois announced the award of \$54.6 million in federal grant funds from the Urban Area Security Initiative (UASI).

The grant, intended to increase preparedness efforts, will be used to undertake essential planning, enhance training, conduct exercises and provide





interoperable equipment so that first responders across the urban area will have the skills and resources necessary to prepare for, prevent, and respond to incidents across Cook County and Chicago.

The collaboration is another example of agencies working together to share resources, across levels of government. The willingness by each agency to collaborate on these critical public safety initiatives will strengthen our overall ability to prevent and deter catastrophic incidents throughout the area.

### ***City in Partnership***

Another partnership the OEMC will continue working on is with the residents of this City. In 2012, the OEMC will continue promoting Notify Chicago as a positive and proactive tool that residents can utilize to better inform themselves about activities taking place in the City.

By registering for Notify Chicago, residents receive alert messages on everything from traffic to weather to major events in the City.

It is a great resource that the City has already utilized to inform people about emergency weather conditions, such as the extreme hot weather in July 2011; parking restrictions that were in effect for the Chicago White Sox and Cubs post-season play; and street closures due to the Bank of America Chicago Marathon.

In 2012, the OEMC will continue to enhance the Chicago Community Emergency Response Team (CERT).

In Chicago, trained instructors from the OEMC and Chicago Police Department teach local residents basic hands-on disaster response techniques. Upon completion of the class, participants have the option to become a Chicago Citizens Corps CERT volunteer and assist professional emergency services following a disaster.

The OEMC will work to train Community Emergency Response Team (CERT) volunteers on the 311 system so that volunteers may be able to assist in answering 311 calls during an emergency. Past participants have played a role in emergency exercises and assisted the City during the recovery and evacuee welcome efforts after Hurricane Katrina.

As the Mayor stated, these are challenging times for everyone and will take a collective effort and shared pain to meet these challenges, however, I can assure you that the OEMC is a partner in this team effort and we will responsibly address the challenges before us. Thank you and I look forward to answering any questions you may have.

**###**



# Aldermanic FY 2012 Budget Hearing Information

## The Office of Emergency Management and Communications

### MBE / WBE Information

<b>MBE/WBE Breakdown</b>	<b>2010</b>	<b>2011</b>
Total Expenditures	\$51,573,765	\$22,357,151
\$\$ Paid to MBE/WBE	\$15,660,865	\$6,728,755
% of Total Expenditures	30.37%	30.10%

<b>MBE/WBE broken down</b>	<b>2010</b>		<b>2011</b>	
<b>By Ethnicity</b>	<b>\$\$\$</b>	<b>%</b>	<b>\$\$\$</b>	<b>%</b>
WBE	\$2,527,228.56	16.14%	\$1,116,221.99	16.59%
AFRICAN AMERICAN	\$1,648,429.01	10.53%	\$698,311.80	10.38%
HISPANIC	\$5,295,672.99	33.81%	\$2,886,736.51	42.90%
ASIAN	\$6,189,534.87	39.52%	\$2,027,484.87	30.13%

### EEO Information

<b>Department Total</b>	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	Number	%	Number	%	Number	%
African American	212	15.81%	554	41.31%	766	57.12%
Asian	13	0.97%	7	0.52%	20	1.49%
Hispanic	68	5.07%	85	6.34%	153	11.41%
White	197	14.69%	199	14.84%	396	29.53%
Native	4	0.30%	2	0.15%	6	0.45%
<b>Total</b>	<b>494</b>	<b>36.84%</b>	<b>847</b>	<b>63.16%</b>	<b>1,341</b>	<b>100.00%</b>

<b>Management</b>	<b>Male</b>		<b>Female</b>		<b>Total</b>	
	Number	%	Number	%	Number	%
African American	12	11.21%	20	18.69%	32	29.91%
Asian	2	1.87%	0	0.00%	2	1.87%
Hispanic	12	11.21%	9	8.41%	21	19.63%
White	35	32.71%	17	15.89%	52	48.60%
Native	0	0.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>61</b>	<b>57.01%</b>	<b>46</b>	<b>42.99%</b>	<b>107</b>	<b>100.00%</b>

**EEO - Continued**

OEMC - New Hires	Male		Female		Total	
	Number	%	Number	%	Number	%
African American	11	20.00%	12	21.82%	23	41.82%
Asian	1	1.82%	0	0.00%	1	1.82%
Hispanic	8	14.55%	0	0.00%	8	14.55%
White	13	23.64%	10	18.18%	23	41.82%
Native	0	0.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>33</b>	<b>60.00%</b>	<b>22</b>	<b>40.00%</b>	<b>55</b>	<b>100.00%</b>

Reduction in Force	Male		Female		Total	
	Number	%	Number	%	Number	%
African American	4	5.26%	41	53.95%	45	59.21%
Asian	0	0.00%	1	1.32%	1	1.32%
Hispanic	0	0.00%	9	11.84%	9	11.84%
White	1	1.32%	20	26.32%	21	27.63%
Native	0	0.00%	0	0.00%	0	0.00%
<b>Total</b>	<b>5</b>	<b>6.58%</b>	<b>71</b>	<b>93.42%</b>	<b>76</b>	<b>100.00%</b>

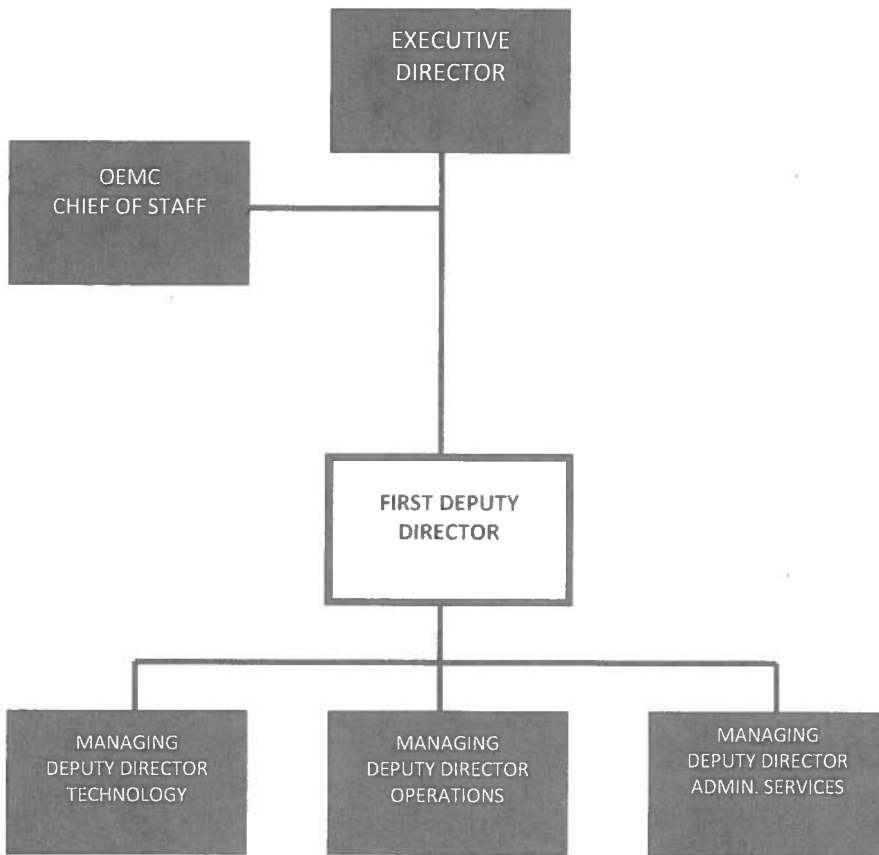
- This is only for the TCAs who have already received notice and all non-union TCAs that are not subject to bumping and lotteries to determine who will be laid off.

**Position Reduction Information**

Fund	Layoff	Vacancy Cut	Total Reduction
Corporate Fund (100)	108	80	188
Midway Fund (610)	0	8	8
O'Hare Fund (740)	0	11	11
<b>Total Position Reduction</b>	<b>108</b>	<b>99</b>	<b>207</b>

# OEMC Organizational Chart

**OEMC Contact Information: 312-746-9400**





Commissioner Thomas G. Byrne  
2012 Budget Statement - Final  
Monday, October 24, 2011

Thank you Chairman Austin, Vice-Chairman Reilly and the other members of the City Council for allowing us to present our proposed 2012 Budget to you.

The Department of Streets & Sanitation was faced with numerous challenges in 2011. We were able to successfully manage our resources so that our emergency response and daily operations were efficient and effective.

We look to improve our efficiency next year by moving to a grid-based garbage collection system. The current system, based on ward boundaries, is no longer sustainable. Chicago spends approximately 100 dollars more per ton to collect garbage than Los Angeles and Boston. This change could provide an estimated savings of up to \$20 million.

We are currently undergoing a study to determine the best way to adopt a grid system, but our recycling program already operates on a grid and demonstrates the cost savings and the benefits of a grid and managed competition.

As you know, we've also adopted managed competition for our recycling services. The city has been divided into six service areas, four of which are now being serviced by two private sector companies. The remaining two service sectors will be managed by the city's Department of Streets and Sanitation.

The cost benefits should allow us to expand recycling services to more homes in 2012.

And we will continue to use managed competition to generate even more savings across the Department. We are also considering competitive bidding for other services, including curb and gutter repair, tree trimming, street marking, and vehicle booting and towing.

Before we look to next year, I'd like to highlight what our Department has accomplished in 2011.

Repeated incidents of violent summer weather required us to respond to numerous tree emergencies and haul away thousands of tree debris piles.

We were able to meet these weather related challenges and still deliver our services in the midst of a difficult economy that has impacted the ability of governments everywhere to provide their basic services.

Part of the reason for our success is improved accountability combined with tighter management and better supervision.

I have routinely held meetings in the field with our supervisors to provide them with a clear vision of what I expect from them and the employees working under them.

I have also made it clear to everyone who works in Streets & Sanitation that they are expected to come to work every day and to do their jobs as effectively as possible. Late last year we met with union leadership to craft fair and equitable work rules which we then handed out to each and every employee. This attention to rules and fair application of discipline has helped to manage absenteeism and use of sick time, allowing us to keep up with the daily demands of a city as large and diverse as Chicago.

We are uniformly enforcing these new rules and are having success with them. Since the first of the year we have held over 1,000 discipline hearings. 168 workers received discipline in the form of unpaid time off for violation of city work rules.

We have been working extensively with our senior and mid-level managers to make them more accountable for the supervision of their employees. This has had a ripple effect on our operations from our District Superintendents down to laborers on our trucks. Our supervisors know that they will be held accountable for the actions of the workers under them and this is a big reason why we are seeing improvements in attendance and reduced sick days.

Tightening management and working to streamline our operations have helped us to achieve greater productivity and conserve our costs and resources.

- We have consolidated ward offices in order to reduce our operating costs;
- We have reduced the size of our fleet by eliminating unused or rarely used vehicles;
- We deployed ex-offenders through the city's re-entry programs to help them learn a trade and rejoin society;
- We deploy mobile electronic ticketing to improve the speed with which violations are processed and heard by Administrative Hearings. This initiative also reduced errors and improved our conviction rate, further protecting the safety of the public and generating additional revenue for the city.
- We consolidated all of our dispatching duties into our Bureau of Traffic Services to minimize overlap and provide better shift coverage.
- We continue to use police pod and red light enforcement cameras to help manage our snow removal teams, which allow us to better control the number of crews we put out as well as the amount of salt we use, saving the city money.

All of these measures have helped the department operate more efficiently and productively, and we will continue to look for other ways to improve our service delivery while containing or reducing our operational costs.

2012 will be a challenging year, but we are confident we will continue to meet the demands and provide the services expected by the citizens of the city of Chicago.

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Department of Streets and Sanitation  
2011 EEO #'s and Percentages

**1) CONTRACTS:**

2010 Dollars Spent: **\$49,306,903**  
 MBE Dollars: **\$11,305,372** (22.93%)  
 WBE Dollars: **\$ 3,555,781** (7.21%)

2011 Dollars Spent (Jan-Sep): **\$51,662,963**  
 MBE Dollars: **\$12,660,922** (24.5%)  
 WBE Dollars: **\$ 3,436,367** (6.65%)

Total 2010 Participation  
**30.14%**

Total 2011 Participation  
**31.16%**

2010 by category  
 Dollars (% all dollars spent)  
African-American \$ 5,951,537 (12.1%)  
Hispanic \$ 5,337,511 (10.8%)  
WBE \$ 3,555,781 (7.2%)  
 Asian \$ 16,324 (0.03%)

2011 by category  
 Dollars (% all dollars spent)  
\$ 7,754,204 (15.0%)  
\$ 4,888,374 (9.46%)  
\$ 3,436,367 (6.65%)  
 \$ 18,344 (0.04%)

**2) E.E.O. DEPARTMENT OVERALL:**

Male: 1,701 (79.8%)  
 Female 431 (20.2%)

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TOTAL: 2,132

African Amer.: 1,019 (47.8%)  
 White: 606 (28.4%)  
 Hispanic: 442 (20.7%)  
 Asian: 35 (1.6%)  
 Native Amer./Other: 7 (0.3%)

**3) E.E.O. MANAGEMENT:**

Male: 71 (86.0%)  
 Female: 11 (14.0%)

African American: 24 (29%)  
 White: 37 (45%)  
 Hispanic: 19 (23%)  
 Asian: 1 (1%)  
 Native Amer./Other: 1 (1%)



**CITY OF CHICAGO**  
**Department of Procurement Services**

**2012 Budget**

*A Message from*

*Jamie L. Rhee*  
**Chief Procurement Officer**

**October 24, 2011**

On behalf of the Department of Procurement Services, I would like to thank the Mayor, Chairman Austin and the entire City Council for allowing us to present our 2011 activities and accomplishments along with our aspirations for 2012.

The Department of Procurement Services (DPS) is implementing new and innovative ways to work within the financial constraints continuing to affect the City while maintaining operating efficiencies, transparency, and accountability in the contracting process, and expanding Minority, Women, Disadvantaged-owned Business Enterprise (M/W/DBE) contracting opportunities.

### **Participation**

The City's overall M/WBE participation has grown for African American and Hispanic firms since last year. The total dollars awarded to M/WBE firms also increased by more than \$40 million.

These gains have been possible because of your help. Community meetings in your ward have helped us identify more minority and women owned businesses to bid on City work. But, we can't stop now and with your continued assistance, we will achieve even better gains next year.

Something that will certainly help our efforts to bring even more M/WBE opportunities is Mayor Emanuel's \$147 million investment in the City's infrastructure. These water and sewer projects will definitely help bring more work opportunities to M/WBE firms and in the process create jobs for our community.

In addition, DPS has also developed two programs designed to build capacity among M/WBE and small businesses. The first is a race-gender neutral program for small construction opportunities limiting the bidders by size of workforce and maximum gross receipts. The second is a private market incentive, whereby prime contractors may earn one dollar of credit for every three dollars

spent in the private market to be used in cases when they cannot achieve the desired goals or to augment existing compliance plans within a future City solicitation.

In this challenging economic environment, M/WBE participation in contracts awarded through August 2011 exceeded all of our goals mandated by ordinance, whether 17% for MBE and 5% for WBE firms for non-construction contracts or 24% MBE and 4% WBE for construction.

34% of the dollar value of contracts awarded by DPS through August 2011 were committed to certified MBE and WBE companies in either a prime or subcontracting role. Through the first eight months of 2011, 27% of the \$1.2 billion in City contracts awarded went to minority owned firms and 7% went to women owned firms.

As of August 31, 2011, African Americans were awarded \$97 million, or 8% of all contract awards compared to \$73 million or 7% during the same time period in 2010, Hispanics were awarded \$201 million or 16% compared to \$142 million or 14% during the same time period in 2010, Asian Americans were awarded \$53 million or 4% compared to \$83 million or 8% during the same period in 2010 and Women (non-minority) Business Enterprises were awarded \$68 million or 5% compared to \$80 million or 8% during the same time last year.

On our federally funded contracts in the first eight months of 2011, 31% of the \$581.5 million went to Disadvantaged Business Enterprises (DBE). African Americans were awarded \$47 million or 8% compared to \$9 million or 4% during the same time period in 2010; Hispanics were awarded \$68 million or 12% compared to \$41 million or 16% during the same time period in 2010; Asian Americans were awarded \$14 million or 2% compared to \$3 million or 1% during the same time period in 2010 and Women (non-minority) were awarded \$53 million or 9% compared to \$11 million or 4% during the same time period in 2010.

### **Certification and Compliance**

While these increases are good news especially in these trying times, our department, like City Council, is not satisfied. We remain committed to the growth and development of minority and women-owned business enterprises in the City of Chicago. Now that the responsibility for the certification of M/W/DBE firms and compliance with City's M/W/DBE program has been returned to DPS, we will pursue every opportunity to ensure that the City's procurement process remains fair, inclusive and diverse.

We continue our push for all primes and subcontractors to utilize our online C2 system by which contractors report commitments, payments and participation. Since recently taking responsibility of these functions, we have sent alerts to both primes and subcontractors; worked with Assist Agencies to communicate the benefits of the system to vendors; and held 6 training sessions in an effort to become 100% reliant on technology for the tracking of payments and participation.

In an effort to begin the transition of reporting awards to actual dollars spent we will now focus on pay outs to M/WBE firms. Since January 2011, 31 construction contracts were closed as of August 2011. Of the \$260 million paid out, 24% went to MBEs and 6% went to WBEs which meets or exceeds the City's aspirational goal in construction of 24% for MBEs and 4% for WBEs. The following numbers represent actual dollars paid to M/WBE firms on these contracts. African Americans were paid \$16 million or 6%; Hispanics were paid \$37 million or 15%; Asian Americans were paid \$10 million or 4% and Women (non-minority) were paid \$14 million or 5%.

### **Outreach**

Since January of this year, DPS has participated in over 100 events and workshops to provide businesses with information on the City's procurement process and business opportunities. DPS

will continue to implement outreach programs throughout Chicago's business community in an effort to increase awareness of contracting opportunities for minority and women-owned businesses and provide information on certification contract compliance. In addition to working with elected officials, assist agencies and other stakeholders, DPS will continue to analyze existing certified firms for opportunities to match them with available contracting opportunities.

To further assist M/WBEs, DPS recently released the City's 3Q2011 – 4Q2012 Buying Plan which outlines goods and services along with subcontracting opportunities the City will be seeking over the next 18 months. The Buying Plan is a great resource for firms looking to plan ahead, network, or seeking joint venture opportunities.

In addition, we continue to offer 9 workshops which cover topics ranging from Compliance 101; Bonding; Job Order Contracting; How to do Business with the City of Chicago and others, designed to provide vendors with information to assist them in becoming successful bidders on City contracts. DPS also has publications such as Procurement Fundamentals and Certified, Now What which provides valuable information on the procurement process and various resources available to small and large vendors.

### **Procurement Modernization**

At the direction of Mayor Emanuel, much of our recent work this year has been aimed at modernizing our procurement practices, promoting and facilitating interagency cooperation, and developing programs for small businesses. The City's contract with Accenture is one of many recent contracting changes implemented along with reverse auctions and stricter no-bid contract regulations, all of which are aimed at bringing the City into step with current best practices in public procurement.

DPS is working to increase coordination of procurement activities to reduce contract processing times and save money for the City. We are also working to curtail spending outside the City's centralized procurements and to further streamline and consolidate the process. We will hold ourselves accountable for realizing the estimated procurement savings. Results of the current spend assessment will be used to prioritize categories for cost reduction. These savings will be combined with cost impact from process improvements to finalize FY2012 savings. The City estimates we will save \$10 million or more by 2012, and at least \$25 million by 2013.

### **Generating Revenue**

DPS has worked closely with other City departments, including Fleet / General Services, to aggressively identify obsolete equipment, vehicles and scrap which has resulted in substantially increased on-line auction sales for the Salvage Operation Program. This year's auctions have generated almost \$2.7 million of revenue through October 13, 2011, which is almost a 100% increase in sales compared to the \$1.4 million achieved for the same period in 2010.

### **Collaboration and Creating Efficiencies**

To look at City-County efficiencies, a 7-member joint committee, comprised of non-profit, community and business leaders, worked on a pro-bono basis with both City and County staff and the Civic Consulting Alliance to review the savings that might be realized through increased cooperation between the City and County. The committee has issued a report which found that increasing City-County collaboration can save taxpayers up to \$140 million per year by 2014. Clear cost savings identified by the committee include purchasing, which can save anywhere from \$12 to \$24 million.



The Department of Procurement Services has more to learn and there is much room for improvement– whether it's from evaluating our past performance, implementing industry best practices or harnessing cutting edge technology to our benefit. But you can be assured that we remain committed to providing sound, fair and transparent procurement services for the City of Chicago.

Respectfully Submitted,

Jamie L. Rhee

Chief Procurement Officer

City of Chicago



1) **DPS M/WBE Participation Numbers**

2011 Expenditures	MBE	WBE	Asian	African American	Hispanic	W/Female
\$236,831.00						
	\$126,810.00	\$0	\$43,094.00	\$83,716.00	\$ 480.00	\$ 0
	53.5%	0%	18.2%	35.3%	0.2%	0%

2) **DPS Staff**

Employees	Female	Male	Asian	African American	Hispanic	White	Total
	41	31	6	37	10	19	72
	57%	43%	8%	51%	14%	26%	

3) **Management**

Management	Female	Male	Asian	African American	Hispanic	White	Total
	2	5	1	2	2	2	7
	29%	71%	14.3%	28.6%	28.6%	28.6%	

4) **Layoffs**

- Demographics of layoffs: Not Applicable. There were no layoffs.

**Vacancy Elimination**

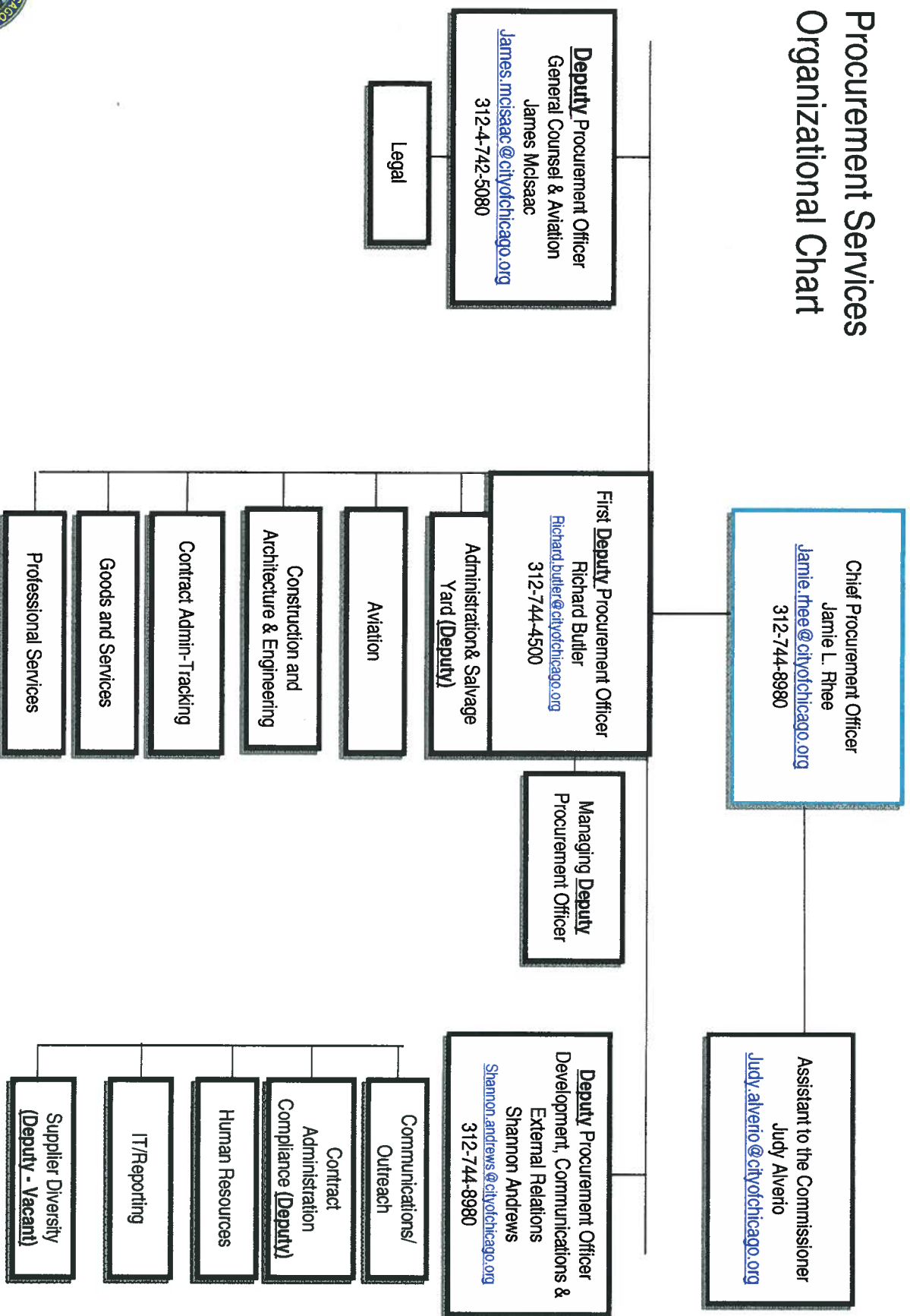
- Vacancy Elimination: 10

5) **Org Chart**

- See attached



# Procurement Services Organizational Chart



City of Chicago

