



CITY OF GROSSE POINTE WOODS DEPARTMENT OF PUBLIC SAFETY

Date: January 28, 2025

To: Frank Schulte, City Administrator

From: John G. Kosanke, Director of Public Safety

Subject: Request for Extension of Towing Contract

For the past fifteen years under contract, the City has utilized the towing services of Official Towing located in St. Clair Shores. The original five-year contract began in 2010 and was extended in 2015 for an additional five years. The contract was extended again in 2020 for another five years. The current contract with Official Towing will expire on September 01, 2025.

It should be noted that any costs of towing are charged to the person whose car is towed and not paid for by the City. Official Towing is part of a larger company and has access to other large tow vehicles and a sufficient size fleet and storage yard.

Official Towing has consistently provided the City with good service, available equipment, adequate storage facilities, and quick response time. It is my recommendation that the current contract, with all the terms and conditions currently in place, be considered for another five-year extension which would expire on September 01, 2030. It is also the recommendation of the Public Safety Department Supervisors that Official Towing continue under contract as they are very pleased with the service they provide.

An updated Certificate of Liability is attached. The City Attorney has reviewed the contract. In 2010, Owner's & Contractor's Protective Liability was required in the specifications. However, it appears that this coverage has not been provided in the past renewals. This coverage has been deemed unnecessary by John N. Johnson, the City's insurance agent from Nickel & Saph, Inc. Therefore, it is recommended that this coverage is omitted and waived.

Recommend approval of the above stated and do not believe any benefit will accrue to the City to seek further competitive bids and that the City Council authorize the City Administrator to enter into an agreement with Official Towing for an extension up to five years from September 02, 2025 through September 01, 2030.

Thank you for your consideration.

EXTENSION OF AGREEMENT WITH OFFICIAL TOWING

This Agreement is entered into this ____ day of _____, 2025
between the City of Grosse Pointe Woods (“City”) and Official Towing (“Official”)
located at 19801 Pleasant St., St. Clair Shores, MI 48080.

WHEREAS, Grosse Pointe Woods City Council entered into a five-year agreement
with Official Towing to tow vehicles within the City, and:

WHEREAS, City Council extended the agreement for an additional five years through
September 01, 2020 at a City Council meeting on June 15, 2015, and;

WHEREAS, City Council extended the agreement again for an additional five years
through September 01, 2025 at a City Council meeting on August 10, 2020, and;

WHEREAS, City Administration has recommended a further extension of the
agreement.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

1. The agreement dated August 30, 2010 which was extended through September 01, 2025, is hereby extended again for a period of five years and shall now run through September 01, 2030. All terms and conditions of the original August 30, 2010 agreement shall remain in full force and effect.
2. Official will provide the City with updated certificates of liability insurance.

WITNESS:

CITY OF GROSSE POINTE WOODS

By: _____
Frank Schulte, City Administrator

OFFICIAL TOWING

By: _____

By: _____
Debra Walling, City Attorney

John Kosanke

From: John Johnson <John@nickelsaph.com>
Sent: Friday, January 24, 2025 12:02 PM
To: Debra A. Walling
Cc: John Kosanke
Subject: RE: Official Tow- Agenda Item

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Deb,

It states in there that Owner's & Contractor's Protective Liability should be included by way of original policy, or original Binder (coverage secured but policy not issued). Thus a separate document(s) should be provided showing this proof of coverage.

Though, for the work that is being completed I don't feel it necessary to obtain this coverage. It could be looked at as a benefit if they are completing larger projects (towing 5+ vehicles at once). Which from my understanding is not what's going on. The company is being hired to respond to 1 incident at a time.

If the contract has already signed the agreement I would request to have this coverage provided. Again, I don't see much benefit to the City having them secure this as the liabilities are secured through other coverages (GL, AL, H&NO, Garagekeepers, on-hook).

Traditional Owner's & Contractor's Protective Liability is requested for contracts that are doing paving, engineering, major construction, or the light example of towing more than 1 vehicle at a time, ect.

Let me know if you have any additional questions.

John N. Johnson - Agent, CIC, CRM
Nickel & Saph, Inc. Insurance Agency
44 Macomb Place
Mount Clemens, MI 48043
586.463.4573 - PH
586.713.6317 - C
586.463.3135 - Fax
John@nickelsaph.com

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From: Debra Walling <dwalling@rsjalaw.com>
Sent: Friday, January 24, 2025 11:16 AM
To: John Johnson <John@nickelsaph.com>
Cc: John Kosanke <JKosanke@gpwmi.us>
Subject: FW: Official Tow- Agenda Item

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 09/13/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: ZERVOS GROUP INC, 24724 Farmbrook, P O Box 2067, Southfield, MI 48037-2067. CONTACT NAME: Michael Zervos/Sarah Laney. PHONE: 248 355-4411. FAX: 248 355-2175. E-MAIL ADDRESS: sarah@zervosgroup.com. INSURER(S) AFFORDING COVERAGE: INSURER A: Progressive Casualty Co. (A+), INSURER B: Northstone Insurance Company (A). NAIC #: 24260, 13045.

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Table with columns: INSR LTR, TYPE OF INSURANCE, ADDL INSR, SUBR WVD, POLICY NUMBER, POLICY EFF (MM/DD/YYYY), POLICY EXP (MM/DD/YYYY), LIMITS. Rows include Commercial General Liability, Automobile Liability, Workers Compensation and Employers' Liability, and Garage Keepers.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) City of Grosse Pointe Woods is included as Additional Insured per written contract with respects to the General Liability coverage for the work performed by the Named Insured for the Certificate Holder.

CERTIFICATE HOLDER: City of Grosse Pointe Woods, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236. CANCELLATION: SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: Michael G. Zervos.