

*STATE OF ILLINOIS  
CHIEF PROCUREMENT OFFICE*



May 16, 2011

Aaron Carter  
Procurement Policy Board  
511 W. Capitol Ave., Suite 102  
Springfield, IL 62704

RE: Possible Conflict of Interest  
Juneau Associates, Inc. P.C.  
Relocate Sewage Pipes, IDOT Highland  
CDB Project No. 630-540-004

Dear Mr. Carter:

Enclosed for review by the Procurement Policy Board is a possible conflict of interest associated with the above-referenced matter.

Juneau Associates, Inc. P.C. ("Juneau") was formally selected for an architect-engineer contract by the Capital Development Board at its March 17, 2011 meeting. That formal selection followed a QBS qualifications-based selection process administered by CDB. Ten firms submitted statements of qualification. Juneau was ranked first after a staff review, and that ranking was affirmed by the Board. As part of the procurement process, Juneau filed standard disclosure forms. The disclosures present two issues. First, disclosures were filed for three individuals, covering 92.32% of the ownership. Juneau has explained to the CPO's office that the remaining amount is equally divided between two individuals, neither of whom earns more than \$106,447, therefore neither individual has an interest greater than the statutory minimums.

The remaining issue deals with the three individuals's responses to section 1-C-ii-g, where each individual answered "yes", explaining below that, "Juneau Associates has secured the services of JAR, Inc. regarding potential revision to pending legislation concerning veteran owned business interest." I believe Juneau misinterpreted this question, which asks whether the disclosee has been employed as or by a lobbyist.

JAR, Inc. is actually JAR Consulting, Inc., which consists of registered lobbyists James A. Riemr, Sr. and James A. Riemer, Jr. The former was executive director of CDB until he retired in December 2010. This contract was first advertised on December 17, 2010, and qualifications-based responses were not received until January 2011, after James Sr. retired from CDB.

It appears from the lobbyist information on file with the Secretary of State that James, Sr. first filed as a registered lobbyist on or about March 30, 2011. JAR Consulting, Inc. has affiliation with Governmental Consulting Solutions, Inc., where James, Jr. is a registered lobbyist. GCS annual report for 2010 makes

no reference to Juneau or to CDB. The reports for JAR filed since January 2011 indicate lobbying for Juneau as part of an effort to create procurement goals for veterans. There is nothing to indicate lobbying activities occurred on behalf of Juneau and this selection. I asked Don Broughton, who administers the selection process, about James, Sr.'s role in the selection. He informed me that James, Sr. played no role in the selection since he left CDB after the selection process, and that neither Riemer contacted him about Juneau. This is the first CDB selection/contract of Juneau within the last five years.

We found no other issues with this firm. A check of campaign disclosures shows an extensive history of political donations, although none pertain to Section 50-37 of the Code and this procurement. We're finding this history with many CDB A/E firms.

I am enclosing a completed Conflict of Interest Review Request Form, as well as copies of disclosures, relevant emails, and the proposed contract. Please let me know if you need any further information or if you have questions about this matter.

Sincerely,

A handwritten signature in cursive script that reads "Fredrick W. Hahn".

Fredrick W. Hahn  
Chief Procurement Officer – Capital Development Board

cc: Nicki Patterson

STATE OF ILLINOIS  
PROCUREMENT POLICY BOARD  
CONFLICT OF INTEREST REVIEW  
CHECKLIST

Please ensure that the following documents are included with your request:

- Cover letter with overview of the potential Conflict of Interest
- Conflict of Interest Review Request Form
- Copy of Proposed Contract
- Any Prequalification Information Submitted by the Vendor
- Prior Procurement Policy Board/Office of the Governor Conflict of Interest Review Letter for this Vendor

Send to:

Procurement Policy Board  
511 W. Capitol Avenue, Suite 102  
Springfield, IL 62704

## CONFLICT OF INTEREST REVIEW REQUEST FORM

The following information must be filled in as accurately and completely as possible. This form will be sent to the Procurement Policy Board providing essential information needed to review and determine if an actual conflict of interest exists, which is sufficient to preclude the State from entering into the attached proposed contract pursuant to section 50-35(d) of the Illinois Procurement Code.

### CONTRACTING AGENCY INFORMATION

Using Agency: Capital Development Board  
Address: 401 S. Spring Street, 3<sup>rd</sup> Fl. City/State: Springfield, IL  
Contact Person: Donald Broughton Title: Contracts Administrator  
Phone: 217-557-3971 Fax: 217-782-4938  
Email: don.broughton@illinois.gov

### SELECTED VENDOR INFORMATION

Name of Vendor: Juneau Associates, Inc., P.C.  
Address: 2100 State Street City/State: Granite City, IL  
Contact Person: Charles Juneau Title: President  
Phone: 618-877-1400 Fax: 618-452-5541  
Email: cej@jaipc.com  
Procurement Bulletin Reference Number: N/A Date Posted to Bulletin: 12/17/2010

### CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: A/E contract to prepare bidding documents for and to oversee a CDB construction project to relocate sewers serving an IDOT maintenance facility in Highland, IL

Total Contract Amount (Estimate if actual is unknown): \$ 31,000.00  
Contract Begin Date: June 2011 Contract End Date: Unk.

Describe any Renewal Options (i.e. One 2-year Option): None

### PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? QBS - qualifications-based, competitive selection

If this vendor was selected using a competitive process, how many vendors responded to the bid? 10

Were any vendors disqualified? No If yes, please explain why. N/A

If a multiple award, how many vendors were awarded a contract? N/A

Were there any instances of low vendor rejections? No If yes, please explain why. N/a

### EXPLANATION OF POTENTIAL CONFLICTS OF INTEREST

For each individual identified as causing a potential conflict of interest, include the following information: name, relationship (if applicable), Agency of State employment, start date, job title and responsibilities. Indicate if any of the named individuals earn more than \$106,447.20 and explain the potential conflict of interest.

See CPO cover letter dated May 16, 2011

PROVIDE A WRITTEN STATEMENT SIGNED BY THE STATE PURCHASING OFFICER (SPO) FOR YOUR AGENCY STATING:

1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

There does not appear to be a conflict, although there may be revolving door issues that do not affect this contract

2. Why is it in the best interest of the State to proceed with this contract.

To complete the design work and begin construction as soon as possible.

SPO SIGNATURE REQUIRED

  
SPO Signature

Fredrick W. Hahn  
SPO Printed Name

16 May 11  
Date

558-2210  
SPO Telephone Number

fredrick.hahn@illinois.gov  
SPO Email Address