

**MANUAL
FOR
SMALL AND EMERGENCY
PURCHASES
FEBRUARY 2014**



**C A P I T A L
Development
B O A R D**

Building a Better Illinois

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SMALL PURCHASES

1.0 Definition

By statute, construction contracts not exceeding \$30,000.00 (adjusted for inflation annually) are considered small purchases that are exempt from the usual competitive bidding requirements. As of July 1, 2013, the small purchase threshold is \$43,000.00.

1.1 Architect/Engineer Services

Architect/Engineer Services costs are not included as a component of small purchase costs.

2.0 Project Funding

Funding must be secured and documented in writing by Capital Programs prior to architect/engineer selection or proposal submittal.

3.0 Design

Design services for small purchases may be provided by Capital Development Board's (CDB) in-house designers or by contract with a private firm, depending on the situation. In some instances, design services may not be needed.

4.0 Bid Openings

For contracts in the amount of \$20,000.00 or less, no formal bid opening is required.

For contracts exceeding \$20,000.00, a formal bid opening may be required by CDB. CDB will determine bidding requirements with approval from CPO. If required, CDB Bid Officers will conduct the bid openings at one of the following CDB Bid Opening Locations: Springfield, Chicago, Carbondale or Ottawa. Project Manager will contact the CDB Bid Officer to schedule a bid opening date and time. Project Manager will provide CDB Bid Officer with a copy of the approved list of contractors for each project prior to bid. Bids submitted by a non-approved contractor will not be opened and will be returned to the contractor.

4.1 Competition

For contracts/proposals in the amount of \$20,000.00 or less, multiple proposals are not required. The contractor shall submit a proposal on company letterhead. A formal contract may be entered into, depending upon the complexity of the work to be performed.

For contracts exceeding \$20,000.00, multiple proposals (minimum of three) may be taken to ensure competitive pricing. An exception may be made when a contractor who is already on-site in connection with a different project is willing to do the work, and it is determined that the bid is reasonable or time is of the essence. Reasonableness will be determined by the Regional Manager or his/her designee and may include a review by CDB's Professional Services estimating staff. The list of potential contractors for the project must be sent to the Emergency Procurement Coordinator, as well as the CPO, for approval prior to the proposal submittal process. Only those firms on the approved list of contractors will be allowed to bid.

4.2 Proposal Submittal

If a formal bid opening is required, all proposals exceeding \$20,000.00 must be submitted in writing on CDB's Proposal/Contract Form/Notice of Award form. This Proposal form can be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Small Projects". The form will be the basis of the proposal submittal package, which will include a scope statement and/or specifications; Financial Disclosure forms if required (see section 6.4); Apprenticeship and Training Program Certification; Substance Abuse Prevention Certification; Disclosure of Business Operations with Government of Iran; and the Board of Elections Certificate. (See Appendix) Further price negotiation may be conducted with the firm that submits the lowest cost proposal.

4.3 Proposal Solicitation

Public solicitation through the CDB Bid Information Newsletter or a newspaper is not required. Potential contractors may be contacted by telephone.

4.4 Prequalification

Submitters providing labor must be prequalified with CDB.

4.5 FEP Requirements

Standard FEP requirements do not apply. However, participation is encouraged.

4.6 Bid Bonds

Bid Bonds are not required for small purchases.

4.7 Construction Administration Fee (CAF)

Construction Administration Fee (CAF) may be collected on all small purchases exceeding \$20,000.00. CAF will not be collected on those purchases without a formal contract (contracts in the amount of \$20,000.00 or less).

5.0 Standard Documents for Construction

Provisions of the Standard Documents for Construction (SDC) do apply to small purchases unless modified by the contract documents, including the Small and Emergency Contracts Notice to Contractors. (See Appendix)

6.0 Pre-Award Requirements:

6.1 Insurance

Unless stated otherwise in the proposal package, SDC insurance provisions do not apply. Contractors must only submit proof of current insurance coverage for commercial general liability, automobile liability, and workmen's compensation, with the proposal. Proof of coverage may be a certificate of insurance or a letter on the insurance company or agent's letterhead. If builder's risk insurance is required, it will be indicated on the Proposal/Contract/Notice of Award form.

6.2 Bonds Required

Performance bonds and Labor and Material Payment bonds are not required for small purchases.

6.3 Electronic Submittals

Proposal modifications (if timely and do not disclose the proposal price), proof of insurance, and the bonding company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days.

6.4 Financial Disclosure Forms

CDB utilizes a financial disclosure form as required by 30 ILCS 500/50-13 and 50-35. Disclosure forms may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

For contracts over \$25,000.00, disclosure forms must be submitted with the proposal when a formal bid opening is required. When a formal bid opening is not required, disclosure forms must be submitted as soon as possible and prior to contract award.

6.5 Standard Certifications

CDB utilizes a Standard Certifications form. The Standard Certification form may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

Standard Certification forms are not required for contracts/proposals that are \$20,000.00 or less. For contracts exceeding \$20,000.00, certification forms must be submitted with the proposal.

7.0 Contract Execution

7.1 Contracts Not Exceeding \$20,000.00

When work costs do not exceed \$20,000.00, the contractor shall submit proposals on company letterhead and can be paid on the basis of an invoice or contract to be issued by CDB. The proposal and invoice must be approved and signed by both the Project Manager and Regional Manager.

7.2 Contracts Over \$20,000.00

For work costs exceeding \$20,000.00, the Proposal/Contract/Notice of Award form, signed by the contractor, is to be sent by CDB's Contracts Unit to the Executive Director for signature and to the CPO for approval. After signing, it must be distributed to:

CDB Fiscal	Architect/Engineer (if applicable)
Contractor	CDB Project Manager
CDB Regional Manager	Central Files with original documents
CDB Project Technician	CPO

7.3 Authorization to Proceed

Contractors having small purchases will not be given a separate written authorization to proceed. For proposals or contracts not exceeding \$20,000.00, a letter or e-mail of acceptance by CDB will serve as the authorization to proceed with the work unless otherwise directed by the CPO. For contracts exceeding \$20,000.00, the Proposal/Contract/Notice of Award signed by the Executive Director and approved by the CPO will serve as the Authorization to Proceed.

8.0 Payment

Contracts/proposals in the amount of \$20,000.00 or less will be paid once, upon final completion. (See Section 7.1) Contracts exceeding \$20,000.00 to \$43,000.00 may have one progress payment and one final payment, or as many as deemed necessary by the Project Manager.

EMERGENCY PURCHASES

1.0 Definition

By statute, an emergency purchase that is exempt from the usual competitive bidding requirements may be entered into when:

- A. A threat to public health exists;
- B. A threat to public safety exists;
- C. There is a risk of further loss of or damage to State property;
- D. Immediate remediation is needed to prevent or minimize serious disruption in critical State services; or
- E. The integrity of State records is threatened.
- F. Quick purchase as provided by Section 20-30 (d) of the *Illinois Procurement Code*.

1.1 Response Action One Asbestos Projects

Response action one asbestos episodes may be handled as an emergency purchase. All procedures for emergency purchases are to be followed including the filing of an emergency purchase request by the Using Agency.

2.0 Architect/Engineer Services

Design services for emergency purchases may be provided by Capital Development Board's (CDB) in-house designers or by contract with a private firm, depending on the situation. In some instances, design services may not be needed.

3.0 Project Funding

Funding must be secured and documented in writing by the Capital Programs Division prior to A/E selection and/or proposal submittal.

4.0 Levels of Emergency

CDB recognizes two levels of emergency purchases, as follows:

Level 1: Immediate danger exists and an immediate physical response is required.

Level 2: An immediate response is required, yet there is sufficient time to allow bidding by a short list of selected contractors, approved by the CPO, on abbreviated specifications provided by an A/E to allow as much competition as is practicable under the circumstances.

The level of the emergency will be determined by the Emergency Committee in consultation and approval by the CPO.

4.1 Level 1 Emergency

FOR ALL LEVEL 1 EMERGENCIES, WORK MUST COMMENCE IMMEDIATELY, WITHOUT

REGARD TO FORMAL PROCEDURES OR PAPERWORK (the same paperwork under Article 6.2 applies to Level 1 emergencies). Paperwork will follow as soon as reasonably possible and should be sent directly to CDB's Contract Division.

4.2 Level 1 Contractors

CDB shall consult with the CPO on the selection of a vendor to provide an emergency response. Contractors for Level 1 emergencies may not have to be prequalified although it is encouraged. If the emergency involves a utility (gas lines, water mains, etc.) contact the utility immediately for assistance.

5.0 Emergency Affidavit

An Emergency Affidavit for each emergency purchase must be filed with the Office of the Auditor General by the CPO. (See Attached Appendix) The affidavit includes:

- A. A description of the conditions and circumstances requiring an emergency purchase;
- B. The amount spent or estimated cost; if known:
 - If it is necessary to file an affidavit with an estimated cost, the total actual cost must be reported by the CDB to the CPO as soon as it is determined.
- C. The architect/engineer's and/or contractor's name(s), if known;
- D. Expected completion date which cannot exceed 90-Days from the expected start date.

5.1 Time of Filing

CDB shall provide an emergency affidavit to the CPO no later than 5 business days after contract is awarded or the date the CPO authorized the Contractor(s) and/or A/E to begin work.

5.2 User Preparation of the Emergency Request Memorandum

The Using Agency must send CDB a written request to CDB's Capital Programs Division to initiate an emergency purchase. The request must describe the nature of the emergency in detail.(See Appendix - SPO Notice #2).

6.0 Proposal Submittal:

6.1 Competition

Level 1 emergencies do not require competitive bidding. CDB shall consult with the CPO on the selection of a vendor to provide an emergency response. Contractors for Level 1 emergencies may not have to be prequalified although it is encouraged.

For Level 2 emergencies, multiple proposals (minimum of three) should be taken to ensure competitive pricing. An exception may be made when a contractor who is already on-site in connection with a different project is willing to do the work, and it is determined that the proposal cost is reasonable. Reasonableness will be determined by the Emergency Committee and may include a review by CDB's Professional Services estimating staff.

The list of potential contractors for the project must be sent to the Executive Director or his/her designee, as

well as the CPO, for approval prior to the proposal submittal process. The contractors list should include at least one reason for inviting each contractor. The following are some sample reasons for inviting a particular contractor to bid:

1. Contractor has completed numerous projects at the site, and is familiar with doing work at the facility.
2. Contractor has completed several similar types of projects for CDB.
3. Contractor is able to commit resources to provide immediate response to the project.
4. Due to the urgency and the small size of the emergency project, the Contractor is geographically located close to the facility and will be able to provide a practical response.
5. The Contractor has the expertise necessary to complete the specialized scope for the emergency project.
6. The Using Agency has project experience with the Contractor and recommends them for this emergency project.
7. Given the urgency of this emergency, the Contractor has the experience necessary to quickly obtain and coordinate subcontractors to expedite the completion of the emergency work.
8. The Contractor is currently working at the facility on another project and can provide immediate response to the emergency.
9. The Contractor completed a project at the particular building and is very familiar with the specific area requiring emergency work.

6.2 Submittal Form

For Level 2 emergencies, proposals must be submitted in writing on CDB's Proposal/Contract Form/Notice of Award form. This Proposal form can be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Emergency Projects". The form will be the basis of the proposal submittal package, which will include a scope statement and/or specifications;; Financial Disclosure forms if required (see section 8.4); Apprenticeship and Training Program Certification; Substance Abuse Prevention Certification; Disclosure of Business Operations with Government of Iran; and a State Board of Elections Certificate. (See Appendix)

6.3 Proposal Solicitation

Public solicitation through the CDB Bid Information Newsletter or a newspaper is not required. When an approved contractor's list is to be utilized, potential contractors may be contacted by telephone to determine the firms' availability and willingness to submit a proposal prior to the issuance of the final contractor list to be approved by the CPO.

6.4 Prequalification

Submitters providing labor must be prequalified with CDB for Level 2 emergencies. It is desirable, but not always required, for Level 1 emergencies.

6.5 FEP Requirements

FEP requirements do not apply. However, participation is encouraged.

6.6 Bid Bonds

Bid bonds are not required for emergency purchases.

6.7 Construction Administration Fee (CAF)

Construction Administration Fee (CAF) may be collected on all emergency contracts.

6.8 Bid Openings

For Level 1 emergencies, no formal bid opening is required.

For Level 2 emergencies, a formal bid opening procedure may be required by the Emergency Committee. CDB Bid Officers will conduct the bid openings at one of the following CDB Bid Opening Locations: Springfield, Chicago, Carbondale, or Ottawa. Project Manager will contact the CDB Bid Officer to schedule a bid opening date and time. Emergency Procurement Coordinator or Project Manager will provide CDB Bid Officer with a copy of the approved list of contractors for each purchase prior to bid. Bids submitted by a non-approved contractor will not be opened and will be returned to the contractor.

7.0 Standard Documents for Construction

Provisions of the Standard Documents for Construction (SDC) do apply to emergency purchases unless modified by the contract documents, including the Small and Emergency Purchase Notice to Contractors. (See Appendix)

8.0 Pre-Award Requirements see below:

8.1 Insurance

Unless stated otherwise in the proposal package, SDC insurance provisions do not apply to emergencies. Contractors must only submit proof of current insurance coverage for commercial general liability, automobile liability, and workmen's compensation, with the proposal. Proof of coverage may be a certificate of insurance or a letter on the insurance company or agent's letterhead. If builder's risk insurance is required, it will be indicated on the Proposal/Contract/Notice of Award form.

8.2 Bonds Required

Performance bonds and Labor and Material Payment bonds are required in the amount of the contract for contracts over \$50,000.00. For Level 1 emergency contracts over \$50,000.00, lien waivers may be substituted for bonds as long as it is indicated in the proposal documents. If required, CDB bond forms will be furnished with the Proposal/Contract/Notice of Award. If bonds are required, contractors must submit with the bid a letter from a bonding company (on letterhead) stating the bonds will be issued if the firm is awarded the contract.

[Note: Bonds are required even if the contract is for materials or equipment only.]

8.3 Electronic Submittals

a. For Level 1 Emergencies:

Proposals, proposal modifications, proof of insurance, and the bond company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days.

b. For Level 2 emergencies:

Proof of insurance and the bonding company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days. Proposals cannot be submitted electronically. Proposal modifications, if timely and if they do not disclose the proposal price, may be submitted electronically, provided CDB receives the originals within 5 calendar days.

8.4 Financial Disclosure Forms

CDB utilizes a financial disclosure form as required by 30 ILCS 500/50-13 and 50-35. Disclosure forms may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

For contracts over \$25,000.00, disclosure forms must be submitted with the proposal when a formal bid opening is required. When a formal bid opening is not required, disclosure forms must be submitted as soon as possible and prior to entering into a contract.

8.5 Standard Certifications

CDB utilizes a standard certifications form. The Standard Certification form may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

Standard certification forms are not required for contracts that are \$20,000.00 or less. For contracts exceeding \$20,000.00, standard certification forms must be submitted with the proposal.

9.0 Contract Execution:

9.1 Emergency Contracts

The Proposal/Contract/Notice of Award form, signed by the contractor, is to be sent by CDB Contracts Unit to the Executive Director (or, if unavailable, his/her designee) and CPO for signature. Contracts that are \$200,000.00 or over must also be signed by the Chief Counsel and the Administrator of Fiscal Services. After signing, it must be distributed to:

Contractor (attach bond forms)	CDB Emergency Procurement Coordinator
CDB Fiscal	CPO Office
CDB Project Manager	Using Agency
CDB Project Technician	Central Files with original documents

9.2 Authorization to Proceed

Contractors having emergency purchases will be given Authorization to Proceed by the CPO or CDB on approval from the CPO.

10.0 Payment

All provisions of the Standard Documents for Construction are to be utilized when submitting progress payments unless modified by the contract documents. Contracts in the amount of \$20,000.00 or less will have one payment upon final completion. Contracts exceeding \$20,000.00 may include progress payments as directed by the Project Manager. The Project Manager will notify the Emergency Procurement Coordinator in writing of the final cost for each contract immediately after it is determined. The Emergency Procurement Coordinator will forward the final cost of each emergency purchase to the CPO upon receipt from the Project Manager.

11.0 Duration of Emergency Procurements

The term of an emergency purchase shall not exceed 90 days. A contract may be extended beyond 90 days if the CPO determines additional time is necessary in order to complete the scope of work limited to the emergency. Prior to an extension being granted, the CPO must hold a public hearing to hear testimony as to why the extension is necessary. The Project Manager will immediately, but no later than 30 days prior to the expiration of the emergency, notify the Emergency Procurement Coordinator when it is determined that an extension will be necessary by completing an Emergency Extension Justification Form and forwarding it to the Emergency Procurement Coordinator. The Emergency Procurement Coordinator will notify the CPO of the request and provide any additional information necessary in order for the CPO to make a determination as to whether a public hearing and/or extension are warranted.

APPENDIXES

PROPOSAL PACKAGE CHECKLIST

All proposals submitted to CDB for small or emergency purchases must contain the following items:

- [] Completed Proposal/Contract/Notice of Award Form when required.**
- [] Proof of insurance consisting of a certificate of insurance or a letter on the insurance company or agency letterhead (unless SDC provisions apply; see proposal form.).**
- [] Letter from your bonding company on their letterhead stating that a performance bond and a labor and material payment bond in the amount of the contract will be issued if the firm is awarded the contract (unless bonds are not required; see proposal form.).**
- [] Disclosure of Business Operations with Government of Iran; must complete attached form.**
- [] Proof of Substance Abuse Prevention Certification; must complete attached form.**
- [] If over \$25,000.00, financial disclosure forms are required.**
- [] If over \$20,000.00, standard certification forms are required.**
- [] Proof of Apprentice and Training Program Certification. Copy of US Department of Labor certificate is acceptable.**
- [] Board of Election Certificate**

Attachment
Disclosure of Business Operations with Government of Iran
30 ILCS 500/50-36

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and :

(1) more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure.

1. ___ There are no business operations that must be disclosed to comply with the above cited law.
2. ___ The following business operations are disclosed to comply with the above cited law:

Name of Company

Signature

Substance Abuse Prevention Program Certification

Bid Date: _____

Project No.: _____

Project Name: _____

Location: _____

The Substance Abuse Prevention on Public Works Act, Public Act 95-0635, prohibits the use of drugs and alcohol, as defined in the Act, by employees of the Contractor and by employees of all approved Subcontractors while performing work on a public works project. The Contractor/Subcontractor herewith certifies that it has a superseding collective bargaining agreement or makes the public filing of its written substance abuse prevention program for the prevention of substance abuse among its employees who are not covered by a collective bargaining agreement dealing with the subject as mandated by the Act.

A. The undersigned representative of the Contractor/Subcontractor certifies that the contracting entity has signed collective bargaining agreements that are in effect for all of its employees, and that deal with the subject matter of Public Act 95-0635.

Contractor/Subcontractor

Name of Authorized Representative (type or print)

Title of Authorized Representative (type or print)

Signature of Authorized Representative

Date

B. The undersigned representative of the Contractor/Subcontractor certifies that the contracting entity has in place, for all of its employees not covered by a collective bargaining agreement that deals with the subject of the Act, the attached substance abuse prevention program that meets or exceeds the requirements of Public Act 95-0635.

Contractor/Subcontractor

Name of Authorized Representative (type or print)

Title of Authorized Representative (type or print)

Signature of Authorized Representative

Date

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SMALL AND EMERGENCY PURCHASES

NOTICE TO CONTRACTORS

1.0 **Submittal Form:**

1.1 **Proposal Form**

If a formal bid opening is required, proposals exceeding \$20,000.00 must be submitted in writing on CDB's Proposal/Contract/Notice of Award Form. The Proposal form can be found on CDB's website at www.cdb.state.il.us in the Reference Library under both "small projects" and "emergency projects". The form will be the basis of the proposal package, which will include a scope statement and/or specifications; Financial Disclosure Forms if required; Apprenticeship and Training Program Certification; Substance Abuse Prevention Certification; Disclosure of Business Operations with Government of Iran; and a Board of Elections Certificate.

1.2 **No Alterations or Qualifications**

Any proposals submitted with alterations or qualifications will be rejected.

1.3 **Location for Delivery of Proposal Form**

All proposals shall be delivered to the authorized official at the location specified on the proposal form. Any proposals submitted to another person or location other than those specified will be returned unopened to the submitter.

1.4 **Proposal Opening Time and Date**

All proposals shall be submitted no later than the opening time and date specified on the proposal form. Any proposals received by CDB after the time and date specified will be returned unopened to the submitter.

1.5 **Authorized Signature**

All proposals shall be signed by a person or persons authorized to sign.

1.6 **Additional Costs to be included in Proposal**

All submitters are to include in their proposal, amounts sufficient to cover the cost of a labor and material payment bond, performance bond, all insurance coverage, and the construction administration fee (CAF), if required by the proposal documents. Costs for payment of prevailing wages must be included.

2.0 **Contractor Responsibility**

The competence and responsibility of all submitters shall be taken into consideration in the award of the contract.

3.0 **Prequalification**

Prequalification is required for small purchases and Level 2 emergency purchases, and may be required for Level 1 emergencies. Submitters providing materials or equipment only may be required to be prequalified.

4.0 **FEP Requirements**

For small and emergency purchases, FEP requirements do not apply. However, participation is encouraged.

5.0 **Bid Bonds**

Bid bonds are not required for small and emergency purchases.

6.0 **Standard Documents for Construction**

Provisions of the Standard Documents for Construction (SDC) apply to all small and emergency purchases unless modified by the contract documents, including this document.

7.0 **Pre-Award Requirements listed below:**

7.1 **Insurance**

Unless stated otherwise in the proposal package, SDC insurance provisions do not apply. Contractors must only submit proof of current insurance coverage for commercial general liability, automobile liability, and workmen's compensation, with the proposal. Proof of coverage may be a certificate of insurance or a letter on the insurance company or agent's letterhead. If builder's risk insurance is required, it will be indicated on the Proposal/Contract/Notice of Award form.

7.2 **Bonds Required**

A Performance Bond and a Labor and Material Payment Bond are required in the amount of the contract if the contract is over \$50,000.00. For Level 1 emergency contracts over \$50,000.00, lien waivers may be substituted for bonds. CDB bond forms will be furnished with the Proposal/Contract/Notice of Award form. [Note: Bonds are required even if the contract is for materials or equipment only.] Contractors must submit with the Proposal a letter from a bonding company (on letterhead) stating the bonds will be issued if the firm is awarded the contract.

7.3 **Electronic Submittals:**

Small Purchases - Proposal modifications (if timely and do not disclose the proposal price), proof of insurance and the bonding company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days.

Emergency Purchases -

a. For Level 1 Emergencies:

Proposals, proposal modifications, and proof of insurance, and the bond company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days.

b. For Level 2 Emergencies:

Proof of insurance and the bonding company letter of intent may be submitted electronically, provided that CDB receives the originals within 5 calendar days. Proposals cannot be submitted electronically. Proposal modifications, if timely and if they do not disclose the proposal price, may be submitted electronically, provided CDB receives the originals within 5 calendar days.

7.4 **Financial Disclosure Forms**

CDB utilizes a financial disclosure form as required by 30 ILCS 500/50-13 and 50-35. Disclosure forms may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

For contracts exceeding \$25,000.00, disclosure forms must be submitted with the proposal when a formal bid opening is required. When a formal bid opening is not required, disclosure forms must be submitted as soon as possible and prior to entering into a contract.

7.5 **Standard Certifications**

CDB utilizes a standard certifications form. The Standard Certification form may be found on CDB's website at www.cdb.state.il.us in the Reference Library under "Disclosures & Certifications".

Standard certification forms are not required for contracts/proposals that are \$20,000.00 or less. For contracts exceeding \$20,000.00, standard certification forms must be submitted with the proposal.

8.0 **Authorization to Proceed:**

Small purchases:

For proposals or contracts not exceeding \$20,000.00, a letter or e-mail of acceptance by CDB will serve as the authorization to proceed with the work unless otherwise directed by the CPO. For contracts exceeding \$20,000.00, the Proposal/Contract/Notice of Award signed by the Executive Director will serve as the Authorization to Proceed.

Emergency purchases:

Contractors having emergency purchases will be given Authorization to Proceed by the CPO or CDB on approval from the CPO.

9.0 **Payment**

Small purchases:

Contracts/proposals in the amount of \$20,000.00 or less will be paid once, upon final completion. Purchases exceeding \$20,000.00 may have one progress payment and one final payment, or as many as deemed necessary by the Project Manager.

Emergency purchases:

Contracts/proposals in the amount of \$20,000.00 or less will have one payment upon final completion. Contracts exceeding \$20,000.00 may include progress payments as directed by the Project Manager.

EMERGENCY PURCHASE AFFIDAVIT

Reference # _____

Chief Procurement Officer (CPO) making a procurement under Illinois Procurement Code (30 ILCS 500/20-30) shall file affidavit with Procurement Policy Board and Auditor General within 10 days.

Agency: Capital Development Board Division: _____

Address: 401 South Spring Street

City: Springfield State: IL Zip: 62706

Vendor: _____

Address: _____

City: _____ State: _____ Zip: _____

State of Illinois)
 : SS

County of Sangamon

I, Gus Behnke being duly sworn, solemnly swear and affirm that I am Chief Fiscal Officer.

I have authorized the emergency procurement in accordance with standards as established by law and rule in fulfillment of the emergency purchase affidavit provisions of Illinois Procurement Code [30 ILCS 500/20-30] as follows.

- Involving threat to public health or public safety.
- Immediate expenditure is necessary for repairs to State property to protect against further loss of or damage
- To prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues.
- To insure integrity of State records
- Quick purchase as provided by Section 20-30 (d) of the Illinois Procurement Code

The conditions and circumstances requiring this emergency purchase, including reason for selection of the particular contractor are:

(Continue on next page if necessary)

Expected Start Date: _____ Expected End Date: _____

Extension of previous emergency purchase: Yes or No

Term of emergency procurement shall not exceed 90 days. Contract may be extended beyond 90 days if CPO determines additional time is necessary; however, prior to execution of extension, CPO must hold a public hearing and provide written description.

Amount of this expenditure is: \$ _____ Actual or \$ _____ *Estimated

**When only an estimate of cost is available, the actual cost shall be reported immediately after it is determined.*

I am duly authorized to make this affidavit. I know and understand the contents of this affidavit and all statements herein are true and correct. This affidavit is made pursuant to and in fulfillment of the requirements of Illinois Procurement Code [30 ILCS 500/20-30].

Signature of Affiant

Subscribed and sworn before me this _____ day of _____ 20 _____.

Notary Public

(Seal)

My Commission expires: _____

Section 20-30. Emergency purchase

(a) Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to the execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file.

(b) Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than 3 business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing. Notice shall include at least a description of the need for the emergency purchase, the contractor, and if applicable, the date, time and location of the public hearing. A copy of this notice and all documents provided at the hearing shall be included in the subsequent Procurement Bulletin. Before the next appropriate volume of the Illinois Procurement Bulletin, the purchasing agency shall publish in the Illinois Procurement Bulletin a copy of each written description and reasons and the total cost of each emergency procurement made during the previous month. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the actual total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

(c) Affidavits. A chief procurement officer making a procurement under this Section shall file affidavits with the Procurement Policy Board and the Auditor General within 10 days after the procurement setting forth the amount expended, the name of the contractor involved, and the conditions and circumstances requiring the emergency procurement. When only an estimate of the cost is available within 10 days after the procurement, the actual cost shall be reported immediately after it is determined. At the end of each fiscal quarter, the Auditor General shall file with the Legislative Audit Commission and the Governor a complete listing of all emergency procurements reported during that fiscal quarter. The Legislative Audit Commission shall review the emergency procurements so reported and, in its annual reports, advise the General Assembly of procurements that appear to constitute an abuse of this Section.

(d) Quick purchases. The chief procurement officer may promulgate rules extending the circumstances by which a purchasing agency may make purchases under this Section, including but not limited to the procurement of items available at a discount for a limited period of time. (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

For continuation if necessary:

Reference # _____

STATE OF ILLINOIS
CHIEF PROCUREMENT OFFICE



Capital Development Board CPO Notice #3

TO: CDB Senior Staff

FROM: Fredrick W. Hahn, CPO

DATE: September 15, 2010

SUBJECT: Emergency Purchases

Public Act 96-795 amended Section 20-30 of the Illinois Procurement Code, altering the provisions applicable to emergency purchases. The new language restricts the initial term of an emergency purchase to 90 days, but the term may be extended by the CPO after a public hearing. The amended section (a) is as follows (new language is underlined):

30 ILCS 500/ 20-30(a):

“Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file.”

The Act also amended section (b) regarding notices. Both amendments apply to emergency purchases that were solicited on or after July 1, 2010.

As a result of these amendments, the following CPO procedures are in affect:

401 SOUTH SPRING STREET • SUITE 301 STRATTON BUILDING • SPRINGFIELD ILLINOIS 62706
PHONE (217)558-2157 • FAX (217)558-2164

1. CDB shall notify the CPO of any request for or consideration of an emergency purchase immediately upon learning of same. CDB shall consult with the CPO on the selection of a vendor to provide an emergency response.
2. CDB shall provide notice of the emergency procurement to the Procurement Policy Board no later than 3 business days after the contract is awarded (See Section 20-30(b)) and shall publish the notice to its online electronic bulletin in the same timeframe. CDB shall provide a copy of this notice to the CPO.
3. CDB shall provide to the CPO an affidavit meeting the requirements of Section 20-30(c) in order to permit the CPO to file the affidavit with the Procurement Policy Board and the Auditor General within 10 days after the procurement. If the affidavit contains an estimated cost, or if the cost change, CDB will provide the CPO with the actual total cost immediately after it is determined, and publish same to its on-line electronic bulletin no later than the 10th day of the next succeeding month.
4. CDB shall notify the CPO when it anticipates that an emergency procurement term may extend beyond 90 days, but not later than 70 calendar days from the initiation of the emergency procurement. The notice must specify why and how much additional time is necessary, explain how the remaining scope and duration of work is limited to the emergency situation, and explain why that work should not be obtained through a competitive selection process. Initiation is deemed to be the earliest date of any required signatures on the contract or the date on which a vendor is authorized to provide an emergency good or service, whichever is applicable. All such authorizations shall be documented in the procurement file, by phone log, email, fax, letter, or similar method. The date of the authorization will generally become the beginning date of the contract.
5. To extend an emergency purchase, the CPO will schedule a public hearing and file notice of same with the Procurement Policy Board no later than 14 days prior to the hearing. CPO will advise CDB of the hearing date for presentation by CDB of justification for the extension and for CDB to file the hearing notice on its on-line electronic bulletin. CDB will provide CPO with any documentation supporting the request for extension, as well as any information received regarding the extension, no later than three days prior to the hearing.
6. All emergency procurements require the approval of the CPO.
7. Generally, where an A/E is required in order to determine the response to an emergency condition, especially when the response is not initiated within 14 days, the A/E should prepare documents sufficient for a competitive sealed bidding.
8. Emergency procurements shall be made in accordance with all applicable laws, rules, policies and procedures. Any deviation from policies and procedures must be requested through and approved by the CPO.



CHIEF PROCUREMENT OFFICE
Fred Hahn, Capital Development Board

SPO Notice #2
Capital Development Board

To: Capital Development Board Staff
From: Christopher Flynn^{CF} and William Strahle^{WES}, State Purchasing Officers (SPO)
Date: January 23, 2012
Subject: Emergency Procurements

This SPO Notice becomes effective as of the above date. It is to be used in conjunction with Chief Procurement Officer (CPO) Notice #3, Emergency Purchases. This Notice is also a reiteration of State law already in force.

The Illinois Procurement Code (30 ILCS 500/20-30), Section 20-30 for Emergency Purchases, states that:

(a) Conditions for use. In accordance with standards set by rule, a *purchasing agency* (emphasis and underline added) may make emergency procurements without competitive sealed bidding or prior notice *when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records;* (emphasis and underline added) provided, however, that the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 days. A contract may be extended beyond 90 days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file.

An emergency is declared "...in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in *critical* (emphasis and underline added) State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records" and the "...term of the emergency purchase shall be limited to the time



CHIEF PROCUREMENT OFFICE

Fred Hahn, Capital Development Board

reasonably needed for a competitive procurement". The declared emergency requires the immediate start of work at the location of the emergency. Once the immediate threat of damage to property, disruption of services, or loss of revenue is averted, or the property is restored to a reasonable level of usage, then the emergency is over. Permanent or further repairs are then to be done by competitively sealed bid and not under emergency rules.

When the Capital Development Board (CDB) receives notification of an emergency, CDB will follow the requirements of CPO Notice #3, Emergency Purchases. CDB shall also request from the User Agency detailed information about the emergency including, but not limited to, the following:

- When (date and, if known, time) and where the emergency occurred.
- A detailed explanation and status of the emergency.
- The impact on the Facility and User Agency as a result of the emergency.
- Actions that the User Agency has already taken, including any discussions or site visits by a contractor in regards to this emergency and any estimates received.
- If contractor was contacted, explanation of why this contractor was selected.

If a contractor has already been contacted by the User Agency, then the following information will also be sent to CDB:

- Name of contractor(s) contacted about the emergency.
- When the contractor(s) was contacted about the emergency.
- All documentation, including recommendations for repairing the problem, the User Agency received from the contractor(s).
- Date and description of any work related to the emergency at the emergency site performed to assist in rectifying the emergency.

The User Agency shall give this information to CDB no later than the day following emergency notification. This information will be immediately forwarded by CDB to the CPO's Office.

CDB will also provide documentation of its verification that the emergency situation does exist as described by the User Agency.

After CDB has been contacted about the emergency, and CDB has notified the CPO's Office (per CPO Notice #3), a meeting will be held to discuss and determine what actions are needed to alleviate the emergency. The meeting shall include CDB, the CPO's Office, and the User Agency. CDB should be prepared to provide a list of contractors and/or A/E's who are in the area and capable of providing the necessary services. If the User Agency had to take action and a contractor has been contacted and has worked, the Agency can provide this information at the meeting if the Agency has not already forwarded it to CDB and the CPO's Office.



CHIEF PROCUREMENT OFFICE
Fred Hahn, Capital Development Board

The CPO's Office will send an Authorization Letter to any contractor(s) and/or A/E selected at the meeting, authorizing them to begin the emergency work. No work shall begin until receiving this authorization.

After the contractor(s) and/or A/E has been selected, a meeting will be held at the site to determine and finalize timeline/schedule and the scope of work that is to be completed under the emergency. The CPO and the SPO are to be included on the notice of this meeting. CDB will forward to the CPO's Office, within 3 business days of the start of the work, the scope of work and schedule/timeline for the work. The scope of work will be used by CDB Contract Administration to prepare the contract for the services.

The Illinois Procurement Code (30 ILCS 500/20-30), Section 20-30 for Emergency Purchases, states that:

(b) "Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than 3 business days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 days before the public hearing. Notice shall include at least a description of the need for the emergency purchase, the contractor, and if applicable, the date, time, and location of the public hearing. A copy of this notice and all documents provided at the hearing shall be included in the subsequent Procurement Bulletin. Before the next appropriate volume of the Illinois Procurement Bulletin, the purchasing agency shall publish in the Illinois Procurement Bulletin a copy of each written description and reasons and the total cost of each emergency procurement made during the previous month. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the actual total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

(c) Affidavits. A Chief Procurement Officer making a procurement under this Section shall file affidavits with the Procurement Policy Board and the Auditor General within 10 days after the procurement setting forth the amount expended, the name of the contractor involved, and the conditions and circumstances requiring the emergency procurement. When only an estimate of the cost is available within 10 days after the procurement, the actual cost shall be reported immediately after it is determined. At the end of each fiscal quarter, the Auditor General shall file with the Legislative Audit Commission and the Governor a complete listing of all emergency procurements reported during that fiscal quarter. The Legislative Audit Commission shall review the emergency procurements so reported and, in its annual reports, advise the General Assembly of procurements that appear to constitute an abuse of this Section."

CDB will forward to the CPO's Office all information needed to post the Emergency Notice on the Illinois Procurement Bulletin pursuant to Section 20-30(b) of the Procurement Code. The CPO's Office will post the Emergency Purchase Affidavit on the Illinois Procurement Bulletin within 3 days of the contract being awarded or the date the CPO authorized the contractor(s) and/or A/E to begin work. The CPO's Office will also file the affidavit with the Auditor General's Office within 10 days of the procurement.



CHIEF PROCUREMENT OFFICE

Fred Hahn, Capital Development Board

The CPO's Office, CDB's Emergency Project Coordinator, a representative from CDB's Contract Administration Office, CDB's Construction Regional Managers (RM), and Agency representatives for the active emergencies, will meet weekly as an Emergency Status Committee. CDB will provide a weekly update of the status of all current emergency projects to the members no later than a day prior to the meeting. The Committee members can then review the status of all emergency projects and present any comments to the Committee at the weekly meeting the next day.

If the emergency project will not be completed within 90 days, CDB will notify the CPO's Office of the need to hold an Emergency Hearing. CDB will provide this Notice no more than 60 days following the procurement of emergency services, and this notification will detail why the emergency will go beyond 90 days. This Notice will also include an explanation of why a competitive procurement could not have been completed within the 90 day period or why a competitive procurement would have been inappropriate for the emergency.

Upon completion of the emergency work, CDB will send the CPO a project close-out letter with the final cost of the project and a breakdown for each vendor, if multiple vendors were used. This information will be posted on the Illinois Procurement Bulletin and be sent to the Auditor General's Office.

Questions about this SPO Notice should be emailed to CDB.CPO@Illinois.gov or call 217558 2156.