

12 COPY

Chairman: Jay Stewart
Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

December 22, 2014

Fred Hahn
Chief Procurement Officer
Capital Development Board
377C Stratton Office Building
Springfield, IL 62706

Re: 50-35 Potential Conflict of Interest, Subcontract for 250-197-013

Dear Mr. Hahn,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received December 16, 2014 and understand the facts to be as follows:

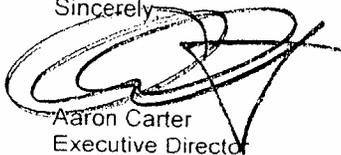
- 1) The Capital Development Board has issued a request for a review and comment on potential conflicts of interest disclosed by DeKayo Corporation, subcontractor of F.E. Moran, Inc.
- 2) The contract pertains to the replacement of chillers, boilers, domestic water heater system, water softening system, and pneumatic control system. Abatement of asbestos-containing materials may be required.
- 3) DeKayo Corporation was selected via contractor-subcontractor agreement.
- 4) The disclosure form submitted on behalf of DeKayo Corporation indicates the following:
 - a. Mr. Darrell Ortiz, 100% owner, filed for personal bankruptcy in 2007.
- 5) The Capital Development Board confirmed that none of the disclosed individuals were in a position to influence the award of this contract. The Capital Development Board and CPO Hahn indicate that it would be in the best interest of the State to approve this conflict of interest due to the using agency's needs and the value of the contract.

Based on the foregoing, you are requesting my review and comment pursuant to the Illinois Procurement Code.

Review and Comment

After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude F.E. Moran, Inc. from entering into a subcontract with DeKayo Corporation for the services outlined in your letter received December 16, 2014.

Sincerely,



Aaron Carter
Executive Director

Cc: EEC General Counsel