STATE OF ILLINOIS
PPB
PROCUREMENT POLICY BOARD

Chairman: David Vaught
Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

January 3, 2013

Bill Grunloh
Chief Procurement Officer
Illinois Department of Transportation
Executive Ethics Commission
2300 S. Dirksen Pkwy
Room 200
Springfield, Illinois 62764

Re: 50-35 Potential Conflict of Interest, Contract 63649 from the June 15, 2012 letting

Dear Mr. Bill Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received January 3, 2013 and understand the facts to be as follows:

1) The Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Alliance Contractors, Inc.

2) The contract pertains to the contract for construction and related services in Lake County.

3) Alliance Contractors, Inc. was selected using Competitive Sealed Bid, Contractor, and Sub-contractor agreement.

4) The disclosure form submitted on behalf of Alliance Contractors, Inc. indicates the following:

   a. Charles W. Ruth, President of Alliance Contractors, Inc. has disclosed he was recently a Coral Township Precinct Committeeman, and the term ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary and was not in a position to influence the competitively sealed bidding process.
   b. Charles Ruth's son was a Grafton Township Precinct Committeeman and that term also ended February 2, 2010. He did not earn an income in excess of 60% of the Governor's salary and was not in a position to influence the competitively sealed bidding process.
   c. Helen Ruth has also disclosed the above mentioned potential conflicts for her husband and son.

5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. The Illinois Department of Transportation and CPO Bill Grunloh 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 the Illinois Department of Transportation from entering into a contract with Alliance Contractors, Inc. for the services outlined in your letter received January 3, 2013.

Sincerely,

Aaron Carter
Executive Director

Cc: EEC General Counsel

222 SOUTH COLLEGE STREET, SUITE 231, SPRINGFIELD, IL 62704
Telephone: (217) 785-3988 Fax: (217) 557-9927 TTY: (888) 642-3450

CHIEF PROCUREMENT OFFICE
Bill Grunloh, Department of Transportation - Highway Construction

January 2, 2013

Procurement Policy Board
511 West Capital Ave. Suite 102
Springfield, IL. 62704

Attn: Aaron Carter

RE: Conflict of Interest Disclosure – Alliance Contractors, Inc., Sub-Contractor for contract 63649 from the June 15, 2012 letting

Dear Mr. Carter:

Attached is the potential conflict of interest form for Alliance Contractors, Inc., (Alliance) a sub-contractor for a contract from the June 15, 2012 letting. Alliance was selected by Lake County Grading Company, L.L.C. (Lake County).

Contract 63649 consists of construction related services in Lake County, and includes: reconstruction to provide two 12-foot through lanes and an exclusive left turn lane at the intersections of Long Grove Road, Rand Road and White Pines Road. Project begins south of Long Grove Road to Boschome Drive, located in the Village of Kildeer and the Village of Deer Park. Alliance will be performing PCC Paving services.

Lake County was selected via competitive sealed bidding process. A description of the contract and low bid amount is enclosed with this letter and conflict of interest checklist. This contract is in the Department's interests of maintaining traffic intersections to ensure the safety of the motoring public.

Charles W. Ruth, President of Alliance Contractors, Inc., has disclosed he was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mr. Ruth has also disclosed his son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. His son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Helen Ruth of Alliance Contractors, Inc., has also disclosed her husband was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mrs. Ruth has also disclosed her son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Her son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. This is being disclosed in response to Item 2(c) of the Form A Financial Interest Disclosure.

2300 South Dirksen Parkway • 200 Hanley Building • Springfield, IL 62706
P: (217) 558-5434 • F: (217) 557-5445

This conflict has been reviewed by our office, and it has been determined that this is not an actual conflict and will not interfere in the execution of these contracts.

If you have any questions concerning this request, please contact Michael Copp of the Bureau of Construction, at 217-782-3413.

Sincerely,

Gretchen Tucka,
State Purchasing Officer

Enclosures

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

*may be the proposed contract sent in with a RFP response, a copy of the solicitation response, etc.

Please scan original documents** with signatures and email to:

aaron.carter@illinois.gov
cc: deanna.rossetto@illinois.gov

If you are unable to scan and email the original signed documents, please send to:

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

**If you scan and email the original documents, please do not send the original documents to our office. Please keep the documents in your procurement file.

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:	Department of Transportation		
Address:	2300 S. Dirksen Parkway	City/State:	Springfield, IL
Contact Person:	Michael D. Copp	Title:	Prequalification Engineer
Phone:	217-782-3413	Fax	217-524-4922
Email:	Michael.Copp@illinois.gov		

SELECTED VENDOR INFORMATION

Name of Vendor:	Alliance Contractors, Inc.		
Address:	1166 Lake Avenue	City/State:	Woodstock, IL
Contact Person:	Charles W. Ruth	Title:	President
Phone:	818-338-5900	Fax:	815-338-9109
Email:	cruth@alliancecontractors.com		

Procurement Bulletin Reference Number: Prime K 63649 Date Posted to Bulletin:

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Contract 63649 consists of construction related services in Lake County, and includes:Reconstruction to provide two 12-foot through lanes and an exclusive left turn lane at the intersections of Long Grove Road, Rand Road and White Pines Road. Project begins south of Long Grove Road to Boschome Drive, located in the Village of Kildeer and the Village of Deer Park. Alliance will be performing PCC services.

Total Contract Amount (Estimate if actual is unknown): $ Prime: 6,676,676.67

Contract Begin Date: Upon Execution Contract End Date:

Describe any Renewal Options (i.e. One 2-year Option): No renewal Options

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Contractor-Subcontractor Agreement

If this vendor was selected using a competitive process, how many vendors responded to the bid? Not Applicable

Were any vendors disqualified? Not Applicable If yes, please explain why.

If a multiple award, how many vendors were awarded a contract? Not a multiple award.

Were there any instances of low vendor rejections? Not Applicable If yes, please explain why.

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.

Charles W. Ruth, President of Alliance Contractors, Inc., has disclosed he was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mr. Ruth has also disclosed his son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. His son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Helen Ruth of Alliance Contractors, Inc., has also disclosed her Husband Charles was recently a Coral Township Precinct Committeeman, and that term ended February 2, 2010. Mrs. Ruth has also disclosed her son was a Grafton Township Precinct Committeeman, and that term also ended February 2, 2010. He did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process. Her son also did not earn an income/compensation in excess of 60% of the Governor's salary for that position and did not influence the competitively sealed bidding process.

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.

The conflicts disclosed by Mr. and Mrs. Ruth are potential and not actual. The positions held by the aforementioned individuals do not interfere with the competitive sealed bidding process nor do they interfere with the contractor-subcontractor relationship.

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

This is for road reconstruction which increases the safety and efficiency of the motoring public. This is in line with the Department's mission.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE

Michael D. Copp	Michael D. Copp	1/2/2013
Agency/University Representative Signature	Agency/University Representative Printed Name	Date
217.782.3413	michael.copp@illinois.gov	
Agency/University Representative Telephone	Agency/University Representative Email Address	

CPO SIGNATURE REQUIRED

	Bill Grunloh	1/2/2013
CPO Signature	CPO Printed Name	Date
217.558.5434	bill.grunloh@illinois.gov	
CPO Telephone Number	CPO Email Address	