

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

April 17, 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 #63682 from the January 18, 2013 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 April 17, 2013 and understand the facts to be as follows:

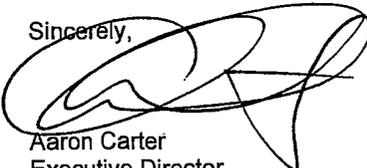
- 1) The Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Elmud and Nelson Co.
- 2) The contract pertains to the contract for construction related services in Lake County.
- 3) Elmud and Nelson Co were selected using Prime Contractor Sub Contractor Agreement.
- 4) The disclosure form submitted on behalf of Elmud and Nelson Co indicates the following:
  - a. Arlette Nelson, an individual with an interest in the aforementioned contractor greater than 5%, has disclosed her daughter Gabrielle Nelson is employed by the Department of Corrections as a Correctional Officer in their Dwight facility for women. Her salary is less than 60% of the Governor's salary.
- 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 Elmud and Nelson Co for the services outlined in your letter received April 17, 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

April 17, 2013

Procurement Policy Board  
222 South College Street, Suite 231  
Springfield, IL 62704

RE: Conflict of Interest Disclosure Elmund and Nelson Co., Sub-Contractor for contract 63682 from the January 18, 2013 letting

Mr. Carter:

Attached is a conflict of interest form for Elmund and Nelson Co., a sub-contractor for Berger Excavating Contractors, Inc. (Berger), who was the lowest responsible bidder and was also responsive for a construction contract advertised on the January 18, 2013 letting by the Department of Transportation.

Prime Contract 63682 consists of construction services in Lake County, and includes HMA pavement on aggregate subgrade, intersection conversion from stop controlled to roundabout, storm sewer removal and replacement, curb and gutter replacement located on Cedar Lake Road at Monaville Road; includes 468 units tree removal; 6,580 cu yd earth excavation; 2,100 cu yd removal and disposal of unsuitable material. Elmund and Nelson will be contracted for electrical installation.

Berger was selected via competitively sealed bidding process. This contract is in the Department's interests of maintaining safe bridge passageway to ensure the safety of the motoring public.

Arlette Nelson, an individual with an ownership interest in the aforementioned contractor greater than 5%, has disclosed that her daughter, Gabrielle Nelson, is employed by the Illinois Department of Corrections as a Correctional Officer in their Dwight facility for women. Her salary is less than 60% of the Governor's salary.

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 this contract.

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
- Copy of the Disclosure/Certification Documents Submitted by the 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  
222 South College Street, Suite 231  
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

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: [ ] Prime Vendor [X] Sub-contractor
Name of Vendor: Elmund and Nelson Co.
Address: 1510 Sheldon Drive City/State: Elgin, IL
Contact Person: Arlette Nelson Title: President
Phone: 847.695.7000 Fax: 847.695.7002
Email: elmundnelson@sbcglobal.net

Procurement Bulletin Reference Number: Prime Contract 63682 Date Posted to Bulletin:

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Prime Contract 63682 consists of construction services in Lake County, and includes HMA pavement on aggregate subgrade, intersection conversion from stop controlled to roundabout, storm sewer removal and replacement, curb and gutter replacement located on Cedar Lake Road at Monaville Road; includes 468 units tree removal; 6,580 cu yd earth excavation; 2,100 cu yd removal and disposal of unsuitable material. Elmund and Nelson will be contracted for electrical installation.

Total Contract Amount (Estimate if actual is unknown): \$ Prime Contract: \$1,534,667.73; Sub: \$209,581.00

Contract Begin Date: Upon Authorization to Proceed is received Contract End Date: N/A

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

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Contractor-Sub Contractor 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.

Arlette Nelson, an individual with an ownership interest in the aforementioned contractor greater than 5%, has disclosed that her daughter, Gabrielle Nelson, is employed by the Illinois Department of Corrections as a Correctional Officer in their Dwight facility for women. Her salary is less than 60% of the Governor's salary.

If a prime vendor, did they disclose their use of lobbyists?  Yes  No  
If yes, did the lobbyists lobby on behalf of the vendor to secure this contract?  Yes  No

PROVIDE A WRITTEN STATEMENT SIGNED BY THE AGENCY REPRESENTATIVE 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 conflict disclosed by Mrs. Nelson are potential and not actual. The position held by the aforementioned individual's daughter does not interfere with the competitive sealed bidding process.

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

The contract is for the maintenance of the State's right of ways, which is central to the safety of the motoring public.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE

  
Agency/University Representative Signature

Michael D. Copp  
Agency/University Representative Printed Name

4/17/2013  
Date

217.782.3413  
Agency/University Representative Telephone

michael.copp@illinois.gov  
Agency/University Representative Email Address

CPO SIGNATURE REQUIRED

  
CPO Signature

Bill Grunloh  
CPO Printed Name

4/17/2013  
Date

217.558.5434  
CPO Telephone Number

bill.grunloh@illinois.gov  
CPO Email Address