



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

May 22, 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 ⁶³⁷⁵⁵~~36755~~ 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 May 21, 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 J.K. Steel Erectors, Inc.
- 2) The contract pertains to the contract for construction and related services in Will County.
- 3) J.K. Steel Erectors, Inc was selected using prime contractor with subcontractor/competitively sealed bidding.
- 4) The disclosure form submitted on behalf of the J.K. Steel Erectors, Inc indicates the following:
 - a. Katherine Cloonen has disclosed that her adult daughter, Kelly Tebo, works in the Support Division at the Kankakee County State's Attorney Office. She does not earn in excess of 60% of the Governor's salary. This is being disclosed in response to Item 2(f) of the Form A Financial Interest Disclosure.
 - b. Ms. Cloonen has also disclosed she was sworn in as a member of the Illinois House of Representatives on January 9, 2013. She does not receive compensation in excess of \$65,000.
- 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 J.K. Steel Erectors, Inc for the services outlined in your letter received May 21, 2013.

Sincerely,

A handwritten signature in black ink, appearing to be "Aaron Carter". The signature is written in a cursive style with some loops and flourishes.

Aaron Carter
Executive Director

Cc: EEC General Counsel



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

May 21, 2013

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

RE: Conflict of Interest Disclosure – J.K. Steel Erectors, Inc., Sub-Contractor for a Contract (63755) from the January 18, 2013 Letting

Dear Mr. Carter:

Attached is the potential conflict of interest form for J.K. Steel Erectors, Inc. (JK), a sub-contractor for a contract from the January 18, 2013 Letting. JK was selected by D. Construction Inc.

Contract 63755 consists of construction related services in Will County, and includes: removal and replacement of the existing bridge with a concrete box culvert, earth excavation, HMA pavement, temporary traffic signals, erosion and sediment control measures and all other incidental items to complete the work on Thorn Creek Drive over Thorn Creek in the Village of Park Forest. JK will be providing structural steel services.

D. Construction Inc. 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 safe structures to ensure the safety of the motoring public.

Katherine Cloonen has disclosed that her adult daughter, Kelly Tebo, works in the Support Division at the Kankakee County State's Attorney Office. She does not earn a salary in excess of 60% of the Governor's salary. This is being disclosed in response to Item 2(f) of the Form A Financial Interest Disclosure. Ms. Cloonen has also disclosed she was sworn in as a member of the Illinois House of Representatives on 1/9/13. She does not receive a compensation in excess of \$65,000.

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 Sub-contractor
Name of Vendor: JK Steel Erectors, Inc.
Address: 9184 W. Route 17 City/State: Bonfield, IL
Contact Person: Katherine Cloonen Title: Owner
Phone: 815-933-3739 Fax: 815-933-3708
Email: kcloonenjsteel@gmail.com

Procurement Bulletin Reference Number: Prime 63755 Date Posted to Bulletin:

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Contract 63755 consists of construction related services in Will County, and includes: removal and replacement of the existing bridge with a concrete box culvert, earth excavation, HMA pavement, temporary traffic signals, erosion and sediment control measures and all other incidental items to complete the work on Thorn Creek Drive over Thorn Creek in the Village of Park Forest. JK will be providing structural steel services.

Total Contract Amount (Estimate if actual is unknown): \$ 609,714.75

Contract Begin Date: Will begin upon authorization to proceed is received. 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 process.

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.

Katherine Cloonen has disclosed that her adult daughter, Kelly Tebo, works in the Support Division at the Kankakee County State's Attorney Office. She does not earn a salary in excess of 60% of the Governor's salary. Ms. Cloonen has also disclosed she was sworn in as a member of the Illinois House of Representatives on 1/9/13. She does not receive a compensation in excess of \$65,000.

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.

This is not an actual conflict. Ms. Tebo from her position at the Support Division at the Kankakee County State's Attorney Office is unable to influence state procurements. The Competetively Sealed Bidding Process is designed to remove any potential for interference. Ms Cloonen was recently sworn in. She is not in a position to unfairly influence the procurement.

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

This is for state route maintenance and repair. This is in line with the Department's mission of maintaining safe passage for the motoring public.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE


Agency/University Representative Signature

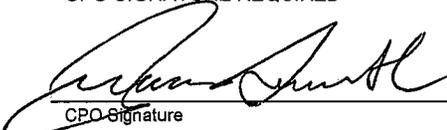
Michael D. Copp
Agency/University Representative Printed Name

5/21/2013
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

5/21/2013
Date

217.558.5434
CPO Telephone Number

bill.grunloh@illinois.gov
CPO Email Address