

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

February 5, 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 97508 from the November 9, 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 February 4, 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 Kilian Corporation.
- 2) The contract pertains to the contract for construction related services in Bond County.
- 3) Kilian Corporation was selected using Competitive Sealed Bidding.
- 4) The disclosure form submitted on behalf of Kilian Corporation indicates the following:
  - a. Kenneth J. Kilian has disclosed that he is an elected member of the Mascoutah School District #19 School Board. This being disclosed in response to item 2(c) of the Form A Financial Interest Disclosure.
- 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

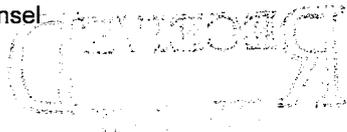
After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude the Illinois Department of Transportation from entering into a contract with Kilian Corporation for the services outlined in your letter received February 4, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Carter", is written over a circular stamp.

Aaron Carter  
Executive Director

Cc: EEC General Counsel





# CHIEF PROCUREMENT OFFICE

Bill Grunloh, Department of Transportation - Highway Construction

February 4, 2013

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

Attn: Aaron Carter

RE: Conflict of Interest Disclosure The Kilian Corporation, sub-contractor for contract 97508 from the November 9, 2012 letting

Dear Mr. Carter:

Attached is the potential conflict of interest form for The Kilian Corporation, a sub-contractor for Thiems Construction Company, Inc. (Thiems), the lowest responsible bidder who was also responsive for a construction contract advertised on the November 9, 2012 letting by the Department of Transportation. The Prime contract consists of construction related services in Bond County, and includes: Remove existing 42' bridge and construct a 120' multi-span structure, and approach work, located 3 miles southeast of Old Ripley over Indian Creek. Approach work to be completed in two phases to allow for settlement. Kilian will be installing bridge deck scars. This is in line with the Department's mission of maintaining safe structures and rights of way for the motoring public.

Thiems was selected via competitively sealed bidding process. A description of the contracts and low bid amounts are enclosed with this letter and conflict of interest checklist. This contract is in line with the Department's interests of maintaining safe roadways to ensure the safety of the motoring public.

Kenneth J. Kilian has disclosed that he is an elected member of the Mascoutah School District #19 School Board. This is being disclosed in response to Item 2(c) of the Form A Financial Interest Disclosure.

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, Prequalification Unit, 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

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\*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 South Dirksen Parkway City/State: Springfield, Illinois

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: The Kilian Corporation

Address: 608 S. Independence, P.O. Box A City/State: Mascoutah, IL

Contact Person: James R. Kilian Title: President

Phone: 618.566.2000 Fax: 618.566.2314

Email: emlantry@kiliancorp.com

Procurement Bulletin Reference Number: Prime Contract 97508 Date Posted to Bulletin:

### CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Bond County, and includes: Remove existing 42' bridge and construct a 120' multi-span structure, and approach work, located 3 miles southeast of Old Ripley over Indian Creek. Approach work to be completed in two phases to allow for settlement Kilian will be installing bridge deck scars. This is in line with the Department's mission of maintaining safe structures and rights of way for the motoring public.

Total Contract Amount (Estimate if actual is unknown): \$ Prime: 1,169,276.47

Contract Begin Date: Upon Authorization to Proceed is Received. Contract End Date:

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? Contract between Prime Contractor and Sub Contractor

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 Applicable

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.

Kenneth J. Kilian has disclosed that he is an elected member of the Mascoutah School District #19 School Board. This is being disclosed in response to Item 2(c) of the Form A Financial Interest Disclosure.

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.

This is not an actual conflict. Mr. Kilian has no ability to interfere in the competitively sealed bidding process. The competitively sealed bidding process is designed to remove any potential for interference.

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

This is for structure removal and replacement, which is central to the Department's mission of keeping the roads safe for the public:

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE



Agency/University Representative Signature

Michael D. Copp  
Agency/University Representative Printed Name

2/4/2013  
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

2/4/2013  
Date

217.558.5434  
CPO Telephone Number

bill.grunloh@illinois.gov  
CPO Email Address