

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

July 1, 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, From the June 14, 2013 Letting, Items 65, 82 & 96

Dear Mr. Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received June 28, 2013 and understand the facts to be as follows:

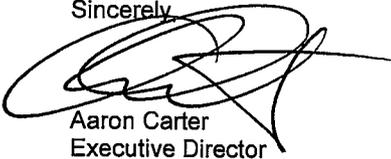
- 1) Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Kinney Contractors, Inc.
- 2) The contract pertains to construction related services in Woodford, Marshall, McLean, LaSalle, Macon, Madison, Bond, Jersey, Calhoun and Greene Counties.
- 3) Kinney Contractors, Inc. was selected using Competitive Sealed Bidding.
- 4) The disclosure form submitted on behalf of Kinney Contractors, Inc. indicates the following:
 - a. William L Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.
- 5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. 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 Illinois Department of Transportation from entering into a contract with Kinney Contractors, Inc. for the services outlined in your letter received June 28, 2013.

Sincerely,



Aaron Carter
Executive Director

Cc: EEC General Counsel





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

June 28, 2013

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

RE: Conflict of Interest Disclosure Kinney Contractors Inc., lowest responsible and responsive bidder for Letting Items 65, 82, & 96 from the June 14, 2013 letting

Mr. Carter:

Attached is a potential conflict of interest form for Kinney Contractors, Inc. (Kinney), a lowest responsible and responsive bidder for Letting Items 65, 82, and 96 from the June 14, 2013 letting by the Department of Transportation. Item 65 consists of construction related services in Woodford-Marshall Counties and includes: 33 miles of concrete patching on Interstate 39 from the McLean County Line to the LaSalle County Line in Woodford and Marshall Counties. Item 82 consists of construction related services in Macon County, and includes: class A and B pavement patching on Interstate 72 and Illinois Route 21 in Macon County. Item 96 consists of construction related services in District 8, and includes: patching along various routes in Madison, Bond, Jersey, Calhoun, and Greene Counties.

Kinney was selected via competitively 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 roadway to ensure the safety of the motoring public.

William L. Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.

This conflict has been reviewed by our office, and it has been determined 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 Jim Layden of the Bureau of Design and Environment, Plans and Contracts Unit, at 217-782-7806.

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: Jim Layden Title: Acting Chief Contracts Official
Phone: 217.782.7806 Fax: 217.785.1141
Email: Jim.Layden@illinois.gov

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: [X] Prime Vendor [] Sub-contractor
Name of Vendor: Kinney Contractors, Inc.
Address: 19342 E. Frontage Road City/State: Raymond, IL
Contact Person: William Kinney Title: President
Phone: 217-229-3322 Fax: 217-229-3069
Email: kinney@roadbuilder.net

Procurement Bulletin Reference Number: 65,82,96 Letting Items Date Posted to Bulletin: 5/10/2013

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Item 65 consists of construction related services in Woodford-Marshall Counties and includes: This project consists of 33 miles of concrete patching on Interstate 39 from the McLean County Line to the LaSalle County Line in Woodford and Marshall Counties. Item 82 consists of construction related services in Macon County, and includes: This project consists of class A and B pavement patching on Interstate 72 and Illinois Route 21 in Macon County. Item 96 consists of construction related services in District 8, and includes: This project consists of patching along various routes in Madison, Bond, Jersey, Calhoun, and Greene Counties.

Total Contract Amount (Estimate if actual is unknown): \$ Item 65: \$582,171.00; Item 82: \$427,720.00; Item 96: \$583,555.00
Contract Begin Date: Upon authorization to proceed is received. IDOT must award within 45 days of bid being opened. Contract End Date: Item 65: 10/31/14; Item 82: 45 Working Days; Item 96: 8/30/14

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

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Competitive Sealed Bidding
If this vendor was selected using a competitive process, how many vendors responded to the bid? Item 65: 3; Item 82: 2; Item 96: 2
Were any vendors disqualified? No 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? No. 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.

William L. Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.

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:

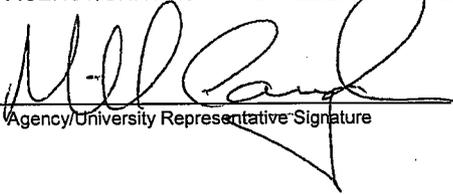
1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

This is not an actual conflict. Mr. Kinney is not in a position to influence the States' procurements.

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

These procurements consist of patching and State Route Repair. These are in line with the Department's mission.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE



Agency/University Representative Signature

Michael Layden

Agency/University Representative Printed Name

6/28/2013

Date

217.782.7806

Agency/University Representative Telephone

jim.layden@illinois.gov

Agency/University Representative Email Address

CPO SIGNATURE REQUIRED



CPO Signature

Bill Grunloh

CPO Printed Name

6/28/2013

Date

217.558.5434

CPO Telephone Number

bill.grunloh@illinois.gov

CPO Email Address