STATE OF ILLINOIS
PPB
PROCUREMENT POLICY BOARD

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, from the April 26, 2013 Letting Item 136

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 Louie's Trenching Service, Inc.

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

3) Louie's Trenching Service, Inc was selected using Competitive Sealed Bidding, Contractor Sub-Contractor Agreement.

4) The disclosure form submitted on behalf of Louie's Trenching Service, Inc indicates the following:

    a. Robert Hahn, an individual with an interest in Louie's greater than the statutory thresholds, has disclosed he was a member of the Galena City Council, Ward 4, from the time frame of May 2007 until May 2011.

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 Louie's Trenching Service, Inc for the services outlined in your letter received May 21, 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

May 21, 2013

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

RE: Conflict of Interest Disclosure Louie's Trenching Service, Inc. lowest responsible and responsive bidder for Letting Item 136 from the April 26, 2013 letting

Mr. Carter,

Attached is the potential conflict of interest form for Louie's Trenching Service, Inc. (Louie's), the lowest responsible bidder who was also responsive for a construction contract advertised on the April 26, 2013 letting by the Department of Transportation. Letting Item 136 consists of construction related services in JoDaviess County, and includes: removal and replacement of two box culverts (S.N. 043-1008 & 043-C001) located on IL 84 from 0.8 and 0.9 mile north of Galena, north of Council Hill Rd.

Louie's, 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 the Department's interests of maintaining safe roadways and structures to ensure the safety of the motoring public.

Robert Hahn, an individual with an interest in Louie's greater than the statutory thresholds, has disclosed he was a member of the Galena City Council, Ward 4, from the time frame of May 2007 until May 2011.

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 Jim Layden of the Bureau of Design and Environment, Plans and Contracts Unit, at 217-782-7806.

Sincerely,

Gretchen Tucka,
State Purchasing Officer

Enclosures

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

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:	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: ☒ Prime Vendor ☐ Sub-contractor

Name of Vendor:	Louie's Trenching Service, Inc.		
Address:	9720 Highway 20W	City/State:	Galena, IL
Contact Person:	Louis Temp	Title:	President
Phone:	815-777-0865	Fax:	815-777-9158
Email:	louiestrenching@sbcglobal.net		

Procurement Bulletin Reference Number: Letting Item 136 Date Posted to Bulletin: 3/27/2013

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Letting Item 136 consists of construction related services in JoDaviess County, and includes: Removal and replacement of two box culverts (S.N. 043-1008 & 043-C001) located on IL 84 from 0.8 and 0.9 mile north of Galena, north of Council Hill Rd.

Total Contract Amount (Estimate if actual is unknown): $ 788,448.84

Contract Begin Date: Upon authorization to proceed is received. Department must proceed with in 45 days of Letting Date. Contract End Date: 50 Working Days

Describe any Renewal Options (i.e. One 2-year Option): None

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? 5 total

Were any vendors disqualified? NO If yes, please explain why.

If a multiple award, how many vendors were awarded a contract? NO

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.

Robert Hahn, an individual with an interest in Louie's greater than the statutory thresholds, has disclosed he was a member of the Galena City Council, Ward 4, from the time frame of May 2007 until May 2011.

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.

No this is potential. Mr. Hahn is not in a position to influence the process.

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

This is for maintenance and repair of the States' rights of ways. This is central to the Department's mission.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE

Agency/University Representative Signature	Michael Layden Agency/University Representative Printed Name	5/23/2013 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	5/23/2013 Date
217.558.5434 CPO Telephone Number	bill.grunloh@illinois.gov CPO Email Address	