STATE OF ILLINOIS
PPB
PROCUREMENT POLICY BOARD

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

February 27, 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, Project #12001

Dear Mr. Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received February 26, 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 Parsons Brinckerhoff, Inc.

2) The contract pertains to Engineering Services to the Department for the Illiana Corridor Project for work in Illinois and Indiana.

3) Parsons Brinckerhoff, Inc was selected using RFP.

4) The disclosure form submitted on behalf of Parsons Brinckerhoff, Inc indicates the following:

   a. Diane M. O'Keefe, was previously employed by the Department. Ms. O'Keefe's title is Area Manager-Illinois. For this project Ms O'Keefe will be Senior Advisor-IDOT and INDOT Liaison. Prior to accepting employment with PB, Ms. O'Keefe was Regional Engineer for IDOT in the Department's District 1 Office. District 1 for IDOT covers Cook County. Ms. O'Keefe followed the provisions of the Revolving Door Act prior to terminating employment with the Department. However, as per the requirements of 50-35, Ms. O'Keefe is not required to complete a Form A.

5) 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 Parsons Brinckerhoff, Inc for the services outlined in your letter received February 26, 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

February 26, 2013

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

Attn: Aaron Carter

RE: Illiana Corridor Project Disclosures, Project #12001

Dear Mr. Carter,

Project #12001 covers Engineering services to the Department for the Illiana Corridor Project for work in Illinois and Indiana. Services in this RFP will be performed in a manner that addresses the bi-state nature of the project, including the potential for differing legal, financial, and technical requirements. These services may include, but are not limited to: determining the appropriate procurement method for implementing the Illiana Corridor project as a Public Private Partnership, developing the procurement process and documents including the RFQ and RFP, reviewing and evaluating submittals by potential bidders and participating in the development, negotiations and execution of agreements and contracts. The term or period of this contract shall be five (5) years with one renewal period of up to five (5) years.

This project was issued November 14, 2012. The estimated fee for this consultant agreement is $15 Million. Work will be paid on amount of hours worked, but the upper limit of the estimated fee is $15 Million, with man hours for the tasks to be negotiated.

The Prime Vendor for this Contract is Parsons Brinckerhoff (PB). PB intends to utilize several sub-contractors. They are:

1. Acacia Financial Group, Inc. (Acacia)
2. The al Chalabi Group, Ltd. (Chalabi)
3. Christopher B. Burke Engineering, Ltd. (Burke)
4. Ernst & Young Infrastructure Advisors, LLC (EYIA)
5. GSG Consultants, Inc. (GSG)
6. Huff and Huff, Inc. (Huff)
7. Images, Inc. (Images)
8. Infrastructure Engineering, Inc. (Infrastructure)
9. J.F. New & Associates, Inc. (JF New)
10. Mayer Brown, LLP. (Mayer Brown)
11. Sanchez and Associates, P.C. (Sanchez)
12. Steer Davies and Gleave, Inc. (Steer)

Of the 13 (including PB), only the following vendor and sub vendors require potential conflict waivers by the PPB:

1. PB
2. EYIA
3. Mayer Brown

Those three vendors will have their own separate conflicts of interest checklist forms. The vendors that did not have any potential conflicts of interest will not have checklists completed.

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

PB is owned by Balfour Beatty Group, Inc., which is a Wholly Owned Subsidiary of Balfour Beatty plc (Balfour Beatty). Balfour Beatty is a UK corporation not traded on an American Stock Exchange. The closest analogue is an American 10K Corporation. As a result, Balfour Beatty has submitted the

UK equivalent of an American 10K, which satisfies its obligations under 50-35 of the Procurement Code. PB has disclosed one of its employees, Diane M. O'Keefe, was previously employed by the Department. Ms. O'Keefe's title is Area Manager-Illinois. For this project Ms. O'Keefe will be the Senior Advisor-IDOT and INDOT Liaison. Prior to accepting employment with PB, Ms. O'Keefe was Regional Engineer for IDOT in the Department's District 1 Office. District 1 for IDOT covers Cook County. Ms. O'Keefe followed the provisions of the Revolving Door Act prior to terminating employment with the Department.

EYIA has made the following disclosures for its qualifying shareholders:

1. Kyle R. Cannon has disclosed his Step-father, Kevin Zeeb, is employed by the Illinois State Police;
2. Mark Gargula has disclosed his wife, Nancy Gargula, is an employee of the US Dept of Justice as US Trustee for Regions 10 and 13.
3. Tadd M. Ingles has disclosed his Father, G. Michael Ingles, elected board member of Livingston County in Illinois.
4. Jerry R. DeVault has disclosed his wife, Karen S. DeVault, was elected in a general election to the Saint Charles, Illinois Public Library Board.
5. Dan Thibault, who is a Partner at Ernst & Young, LLP, has disclosed he is a registered lobbyist in the State of Illinois.

Mayer Brown has made the following disclosures for its qualifying shareholders:

1. Hugh R. McCombs has disclosed his wife, Katrina Veerhusen, is Administrative Law Judge for the State of Illinois.
2. Robert Gordon has disclosed his wife, JoAnn Shrier, is the elected New Trier (IL) Township Assessor.
3. Robert Stoll has disclosed his wife Christine Stoll, is a school board member for Kenilworth School District No. 38.
4. Scott Davis has disclosed he is a member of the Chicago Police Board.
5. Thomas Durkin has disclosed he is the Chief Ethics Counsel for the State of Illinois, House of Representatives.
6. John Janicik, Tyrone Fahner, Joanna Horsnail, Patrick McNerney have all disclosed they are currently a lobbyist or have been so in the previous three years.

These potential conflicts have been reviewed by our office, and it has been determined these are not actual conflicts and will not interfere in the execution of this project.

If you have any questions concerning this request, please contact Mr. Aaron Weatherholt, Deputy Director of the Division of Highways, at (217) 785-0888.

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: Illinois Department of Transportation

Address:	2300 S. Dirksen	City/State:	Springfield, IL
Contact Person:	Aaron Weatherholt	Title:	Deputy Director, Division of Highways
Phone:	217.785.0888	Fax	
Email:	aaron.weatherholt@illinois.gov		

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☒ Prime Vendor ☐ Sub-contractor

Name of Vendor:	Parsons Brinckerhoff, Inc.		
Address:	One Penn Plaza	City/State:	New York, NY
Contact Person:	Lloyd Graham	Title:	Vice President
Phone:	212-465-5000	Fax:	212-631-3895
Email:	graham@pbworld.com		

Procurement Bulletin Reference Number: 12001 Date Posted to Bulletin: 11/14/2012

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Project #12001 covers Engineering services to the Department for the Illiana Corridor Project for work in Illinois and Indiana. Services in this RFP will be performed in a manner that addresses the bi-state nature of the project, including the potential for differing legal, financial, and technical requirements. These services may include, but are not limited to: determining the appropriate procurement method for implementing the Illiana Corridor project as a Public Private Partnership, developing the procurement process and documents including the RFQ and RFP, reviewing and evaluating submittals by potential bidders and participating in the development, negotiations and execution of agreements and contracts.

Total Contract Amount (Estimate if actual is unknown): $ $15 Million, with manhours for the tasks to be negotiated.

Contract Begin Date: Upon authorization to proceed is received. Contract End Date: 5 years

Describe any Renewal Options (i.e. One 2-year Option): one renewal period for up to five years.

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? RFP

If this vendor was selected using a competitive process, how many vendors responded to the bid? n/a

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? n/a 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.

PB has disclosed one of its employees, Diane M. O'Keefe, was previously employed by the Department. Ms. O'Keefe's title is Area Manager-Illinois. For this project Ms. O'Keefe will be the Senior Advisor-IDOT and INDOT Liaison. Prior to accepting employment with PB, Ms. O'Keefe was Regional Engineer for IDOT in the Department's District 1 Office. District 1 for IDOT covers Cook County. Ms. O'Keefe followed the provisions of the Revolving Door Act prior to terminating employment with the Department. However, as per the requirements of 50-35, Ms. O'Keefe is not required to complete a Form A.

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 potential and not actual. While Ms. O'Keefe was in a high level position at the Department, she followed the provisions of the Revolving Door Act prior to her ending her employment with the Department.

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

This will create a freer flow of traffic between Illinois and Indiana. This is beneficial for both residents of Illinois and Indiana.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE

Agency/University Representative Signature	Aaron Weatherholt Agency/University Representative Printed Name	2/26/2013 Date
217.785.0888 Agency/University Representative Telephone	aaron.weatherholt@illinois.gov Agency/University Representative Email Address	

CPO SIGNATURE REQUIRED

CPO Signature	Bill Grunloh CPO Printed Name	2/26/2013 Date
217.558.5434 CPO Telephone Number	bill.grunloh@illinois.gov CPO Email Address	

STATE OF ILLINOIS
PROCUREMENT POLICY BOARD
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CONTRACTING AGENCY INFORMATION

Using Agency:	Illinois Department of Transportation		
Address:	2300 S. Dirksen	City/State:	Springfield, IL
Contact Person:	Aaron Weatherholt	Title:	Deputy Director, Division of Highways
Phone:	217.785.0888	Fax	
Email:	aaron.weatherholt@illinois.gov		

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☐ Prime Vendor ☒ Sub-contractor

Name of Vendor:	Ernst & Young Infrastructure Advisors, LLC		
Address:	One Commerce Square 2005 Market Street, Ste 700	City/State:	Philadelphia, PA
Contact Person:	Mike Parker	Title:	
Phone:	215-448-3391	Fax:	855-463-5983
Email:	mike.parker@ey.com		

Procurement Bulletin Reference Number: 12001 Date Posted to Bulletin: 11/14/2012

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Project #12001 covers Engineering services to the Department for the Illiana Corridor Project for work in Illinois and Indiana. Services in this RFP will be performed in a manner that addresses the bi-state nature of the project, including the potential for differing legal, financial, and technical requirements. These services may include, but are not limited to: determining the appropriate procurement method for implementing the Illiana Corridor project as a Public Private Partnership, developing the procurement process and documents including the RFQ and RFP, reviewing and evaluating submittals by potential bidders and participating in the development, negotiations and execution of agreements and contracts.

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1. Kyle R. Cannon has disclosed his Step-father, Kevin Zeeb, is employed by the Illinois State Police;
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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.

These are potential and not actual. These potential conflicts will not be interfering with the execution of this agreement.

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

This will create a freer flow of traffic between Illinois and Indiana. This is beneficial for both residents of Illinois and Indiana.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE

Agency/University Representative Signature	Aaron Weatherholt Agency/University Representative Printed Name	2/26/2013 Date
217.785.0888 Agency/University Representative Telephone	aaron.weatherholt@illinois.gov Agency/University Representative Email Address	

CPO SIGNATURE REQUIRED

CPO Signature	Bill Grunloh CPO Printed Name	2/26/2013 Date
217.558.5434 CPO Telephone Number	bill.grunloh@illinois.gov CPO Email Address	

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VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☐ Prime Vendor ☒ Sub-contractor

Name of Vendor:	Mayer Brown LLP		
Address:	71 S. Wacker Drive	City/State:	Chicago, IL
Contact Person:	David Narefsky	Title:	
Phone:	312-701-7303	Fax:	not provided
Email:	dnarefsky@mayerbrown.com		

Procurement Bulletin Reference Number: 12001 Date Posted to Bulletin: 11/14/2012

CONTRACT INFORMATION

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