

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 SB1848

Introduced 2/15/2019, by Sen. Antonio Muñoz

SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-15.93 30 ILCS 500/30-30 330 ILCS 21/40

Amends the Illinois Procurement Code. Modifies the term "single prime" to mean the design-bid-build procurement delivery method for a building construction project in which the Capital Development Board or a public institution of higher education (currently, only the Capital Development Board) is the construction agency procuring 2 or more specified subdivisions of work. Provides that for building construction contracts in excess of \$250,000, separate specifications must (rather than may) be prepared for all equipment, labor, and materials in connection with the 7 (currently, 5) subdivisions of the work to be performed. Provides 2 additional subdivisions of work. Modifies requirements concerning specifications to be drawn so as to permit separate and independent bidding. Provides requirements for single prime projects in which the Capital Development Board or an institution of higher education is the construction agency procuring for building construction contracts in excess of \$250,000. Extends repeal and inoperative dates. Makes conforming changes. Effective December 15, 2019.

LRB101 10539 RJF 55645 b

1 AN ACT concerning finance.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Procurement Code is amended by changing Sections 1-15.93 and 30-30 as follows:
- 6 (30 ILCS 500/1-15.93)
- 7 (Section scheduled to be repealed on January 1, 2020)
- 8 Sec. 1-15.93. Single prime. "Single prime" means the
- 9 design-bid-build procurement delivery method for a building
- 10 construction project in which the Capital Development Board or
- 11 <u>a public institution of higher education</u> is the construction
- agency procuring 2 or more subdivisions of work enumerated in
- paragraphs (1) through (7) of subsection (a) of Section
- 14 30-30 of this Code under a single contract. This Section is
- 15 repealed on January 1, <u>2026</u> 2020.
- 16 (Source: P.A. 99-257, eff. 8-4-15.)
- 17 (30 ILCS 500/30-30)
- 18 Sec. 30-30. Design-bid-build construction.
- 19 (a) The provisions of this subsection are operative through 20 December 31, 2025 2019.
- 21 Except as provided in subsections (a-5) or (a-10), for
- 22 building construction contracts in excess of \$250,000,

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- 1 separate specifications <u>must</u> may be prepared for all equipment,
- labor, and materials in connection with the following 7 $\frac{5}{}$
- 3 subdivisions of the work to be performed:
 - (1) plumbing;
- 5 (2) heating, piping, refrigeration, and automatic 6 temperature control systems, including the testing and 7 balancing of those systems;
 - (3) ventilating and distribution systems for conditioned air, including the testing and balancing of those systems;
 - (4) electric wiring; and
 - (5) general contract work<u>;</u>-
- 13 (6) fire protection; and
- 14 (7) asbestos abatement.

Only when a trade is estimated to have a construction contract in excess of \$100,000, the The specifications must may be so drawn as to permit separate and independent bidding upon each of the 7 5 subdivisions of work. Except as provided in subsections (a-5) and (a-10), all All contracts awarded for any part thereof must may award the 7 5 subdivisions of work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the construction agency before the bidding as the prime subdivision

of work, provided that all payments will be made directly to the contractors for the $\frac{7}{2}$ subdivisions of work upon compliance with the conditions of the contract.

(a-5) Beginning on the effective date of this amendatory

Act of the 101st General Assembly and through December 31,

2025, for single prime projects in which the Capital

Development Board is the construction agency procuring for

building construction contracts in excess of \$250,000,

separate specifications may be prepared for all equipment,

labor, and materials in connection with the 7 subdivisions of

work enumerated in subsection (a). Any Capital Development

Board construction contracts awarded for any part thereof may

award 2 or more of the 7 subdivisions of work together or

separately to responsible and reliable persons, firms, or

corporations engaged in these classes of work.

For Capital Development Board single prime projects: (i) the bid of the successful low bidder shall identify the name of the subcontractor, if any, and the bid proposal costs for each of the 7 subdivisions of work set forth in subsection (a); (ii) the contract entered into with the successful bidder shall provide that no identified subcontractor may be terminated without the written consent of the Capital Development Board; and (iii) the contract shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human

1 Rights Act.

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(a-10) Beginning on the effective date of this amendatory Act of the 101st General Assembly and through December 31, 2025, for single prime projects in which an institution of higher education is a construction agency procuring for building construction contracts in excess of \$250,000, separate specifications may be prepared for all equipment, labor, and materials in connection with the 7 subdivisions of work enumerated in subsection (a). Any institution of higher education construction contract awarded for any part thereof may award 2 or more of the 7 subdivisions of work together or separately to responsible and reliable persons, firms, or corporations engaged in these classes of work if: (i) the project budget is at least \$20,000,000; (ii) the institution of higher education has submitted to the Procurement Policy Board a written request for a public hearing on waiver of the application of the requirement of subsection (a) to that project, including its reasons for seeking the waiver and why the waiver is in the best interest of the State; (iii) the institution of higher education has posted notice of the waiver hearing on its procurement web page and on the online Procurement Bulletin at least 15 working days before the hearing; (iv) the Procurement Policy Board, after conducting a public hearing on the waiver request, reviews and approves the request in writing before the award of the contract; (v) the successful low bidder has prequalified with the institution of

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higher education, or in the event the institution of higher education does not have a prequalification process, the low bidder has prequalified with Capital Development Board; (vi) the bid of the successful low bidder identifies the name of the subcontractor, if any, and the bid proposal costs for each of the 7 subdivisions of work set forth in subsection (a); and (vii) the contract entered into with the successful bidder provides that no identified subcontractor may be terminated without the written consent of the institution of higher education.

With respect to any construction project described in this subsection (a-10), the institution of higher education shall: (i) provide to the Auditor General an affidavit that the waiver of the application of the requirements to subsection (a) is in the best interest of the State; (ii) specify in writing as a public record that the project shall comply with the Business Enterprise for Minorities, Women, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act; and (iii) report annually to the Governor, General Assembly, Procurement Policy Board, and Capital Development Board on the bidding, award, and performance of all single prime projects. On or after the effective date of this amendatory Act of the 101st General Assembly, each institution of higher education may award in each year single prime contracts with an aggregate total value of no more than \$100,000,000.

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Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2019, for single prime projects: (i) the bid of the successful low bidder shall identify the name of the subcontractor, if any, and the bid proposal costs for each of the 5 subdivisions of work set forth in this Section; (ii) the contract entered into with the successful bidder shall provide that no identified subcontractor may be terminated without the written consent of the Capital Development Board; (iii) the contract shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act; (iv) the Capital Development Board shall submit a quarterly report to the Procurement Policy Board with information on the general scope, project budget, and established Business Enterprise Program goals for any single prime procurement bid in the previous 3 months with a total construction cost valued at \$10,000,000 or less; and (v) the Capital Development Board shall submit an annual report to the General Assembly and Governor on the bidding, award, and performance of all single prime projects. For building construction projects with a total construction cost valued at \$5,000,000 or less, the Capital Development Board shall not use the single prime procurement delivery method for more than 50% of the total number of

projects bid for each fiscal year. Any project with a total

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construction cost valued greater than \$5,000,000 may be bid using single prime at the discretion of the Executive Director of the Capital Development Board.

Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2017, the Capital Development Board shall, on a weekly basis: review the projects that have been designed, and approved to bid; and, for every fifth determination to use the single prime procurement delivery method for a project under \$10,000,000, submit to the Procurement Policy Board a written notice of its intent to use the single prime method on the project. The notice shall include the reasons for using the single prime method and an explanation of why the use of that method is in the best interest of the State. The Capital Development Board shall post the notice on its online procurement webpage and on the online Procurement Bulletin at least 3 business days following submission. The Procurement Policy Board shall review and provide its decision on the use of the single prime method for every fifth use of the single prime procurement delivery method for a project under \$10,000,000 within 7 business days of receipt of the notice from the Capital Development Board. Approval by the Procurement Policy Board shall not be unreasonably withheld and shall be provided unless Procurement Policy Board finds that the use of the single prime method is not in the best interest of the State. Any decision by the Procurement Policy Board to disapprove the use of the

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1	single prime method shall be made in writing to the Capital
2	Development Board, posted on the online Procurement Bulletin,
3	and shall state the reasons why the single prime method was
4	disapproved and why it is not in the best interest of the
5	State.

- (b) The provisions of this subsection are operative on and after January 1, 2026 2020. For building construction contracts in excess of \$250,000, separate specifications shall be prepared for all equipment, labor, and materials in connection with the following 7 5 subdivisions of the work to be performed:
- 12 (1) plumbing;
- 13 (2) heating, piping, refrigeration, and automatic 14 temperature control systems, including the testing and 15 balancing of those systems;
 - (3) ventilating and distribution systems for conditioned air, including the testing and balancing of those systems;
 - (4) electric wiring; and
 - (5) general contract work; -
- 21 (6) fire protection; and
- 22 (7) asbestos abatement.

Only when a trade is estimated to have a construction contract in excess of \$100,000, the The specifications must be so drawn as to permit separate and independent bidding upon each of the $\frac{7}{5}$ subdivisions of work. All contracts awarded for

any part thereof shall award the 7 $\frac{5}{2}$ subdivisions of work 1 2 separately to responsible and reliable persons, firms, or 3 corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned 5 to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the 6 7 construction agency before the bidding as the prime subdivision 8 of work, provided that all payments will be made directly to 9 the contractors for the $7 - \frac{5}{2}$ subdivisions of work upon 10 compliance with the conditions of the contract.

- 11 (Source: P.A. 99-257, eff. 8-4-15; 100-391, eff. 8-25-17.)
- Section 10. The Quincy Veterans' Home Rehabilitation and Rebuilding Act is amended by changing Section 40 as follows:
- 14 (330 ILCS 21/40)
- 15 (Section scheduled to be repealed on July 17, 2023)
- Sec. 40. Submission of proposals. Proposals must be 16 17 properly identified and sealed. Proposals may not be reviewed 18 until after the deadline for submission has passed as set forth 19 in the request for proposal. All design-build entities 20 submitting proposals shall be disclosed after the deadline for 21 submission, and all design-build entities who are selected for Phase II evaluation shall also be disclosed at the time of that 22 23 determination.
- 24 Proposals shall include a bid bond in the form and security

- 1 as designated in the request for proposal. Proposals shall also
- 2 contain a separate sealed envelope with the cost information
- 3 within the overall proposal submission. Proposals shall
- 4 include a list of all design professionals and other entities
- 5 as defined in Section 30-30 of the Illinois Procurement Code to
- 6 which any work may be subcontracted during the performance of
- 7 the contract. Any entity that will perform any of the $\frac{7}{2}$ 5
- 8 subdivisions of work defined in Section 30-30 of the Illinois
- 9 Procurement Code must meet prequalification standards of the
- 10 State construction agency.
- 11 Proposals must meet all material requirements of the
- request for proposal or they may be rejected as non-responsive.
- 13 The State construction agency shall have the right to reject
- any and all proposals.
- The drawings and specifications of the proposal shall
- remain the property of the design-build entity.
- 17 The State construction agency shall review the proposals
- 18 for compliance with the performance criteria and evaluation
- 19 factors.
- 20 Proposals may be withdrawn prior to evaluation for any
- 21 cause. After evaluation begins by the State construction
- 22 agency, clear and convincing evidence of error is required for
- 23 withdrawal.
- 24 (Source: P.A. 100-610, eff. 7-17-18.)
- 25 Section 99. Effective date. This Act takes effect December
- 26 15, 2019.