

## 101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 HB5345

by Rep. Stephanie A. Kifowit

## SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-15.93 30 ILCS 500/30-30

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 5 subdivisions of the work to be performed. 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 immediately.

LRB101 16516 RJF 65898 b

FISCAL NOTE ACT
MAY APPLY

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- 7 (Section scheduled to be repealed on January 1, 2021)
- 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
- 12 agency procuring 2 or more subdivisions of work enumerated in
- paragraphs (1) through (5) of subsection (a) of Section 30-30
- of this Code under a single contract. This Section is repealed
- 15 on January 1, 2025 2021.
- 16 (Source: P.A. 101-369, eff. 12-15-19.)
- 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, 2024 <del>2020</del>.
- 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,
- 2 labor, and materials in connection with the following 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
- 12 (5) general contract work.

Except as provided in subsection (a-5) or (a-10), the The specifications must may be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work, and all . All contracts awarded for any part thereof must may award the 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 5 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,
2024, 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 5 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 5 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 5 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 Rights Act.

(a-10) Beginning on the effective date of this amendatory

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

1 2024, for single prime projects in which an institution of higher education is a construction agency procuring for 2 3 building construction contracts in excess of \$250,000, separate specifications may be prepared for all equipment, 4 5 labor, and materials in connection with the 5 subdivisions of work enumerated in subsection (a). Any institution of higher 6 7 education construction contract awarded for any part thereof 8 may award 2 or more of the 5 subdivisions of work together or 9 separately to responsible and reliable persons, firms, or 10 corporations engaged in these classes of work if: (i) the 11 institution of higher education has submitted to the 12 Procurement Policy Board a written notice that shall include the reasons for using the single prime method and an 13 14 explanation of why the use of that method is in the best interest of the State. The notice provided under this item (i) 15 16 shall be posted on the institution of higher education's online 17 procurement webpage and on the online Procurement Bulletin at least 3 business days following submission to the Procurement 18 19 Policy Board; (ii) the successful low bidder has prequalified 20 with the institution of higher education, or in the event the 21 institution of higher education does not have a 22 prequalification process, the low bidder has prequalified with 23 Capital Development Board; (iii) the bid of the successful low 24 bidder identifies the name of the subcontractor, if any, and 25 the bid proposal costs for each of the 5 subdivisions of work 26 set forth in subsection (a); and (iv) 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.

For building construction projects with a total construction cost valued at \$20,000,000 or less, institutions of higher education shall not use the single prime delivery method for more than 50% of the total number of projects bid for each fiscal year. Projects with a total construction cost valued greater than \$20,000,000 may be bid using the single prime delivery method at the discretion 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) 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 practices of the Section 2-105 of the Illinois Human Rights Act; and (ii) report annually to the Governor, General Assembly, Procurement Policy Board, and Auditor General 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 fiscal year single prime contracts with an aggregate total value of no more than \$100,000,000, except that the Board of Trustees of the University of Illinois may award in each fiscal year single prime contracts with an aggregate

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Beginning on the effective date of this amendatory Act of the 101st General Assembly and through December 31, 2020, 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; and (iv) 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 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.

(b) The provisions of this subsection are operative on and

- after January 1, 2025 2021. 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 5 subdivisions of the work to be performed:
  - (1) plumbing;
  - (2) heating, piping, refrigeration, and automatic temperature control systems, including the testing and 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.

The specifications must be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work. All contracts awarded for any part thereof shall award the 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 5 subdivisions of work upon compliance with the conditions of the contract.

- 1 (Source: P.A. 100-391, eff. 8-25-17; 101-369, eff. 12-15-19.)
- 2 Section 99. Effective date. This Act takes effect upon
- 3 becoming law.