HB1602 Engrossed

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AN ACT concerning local government.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Sanitary District Act of 1917 is amended by
changing Section 11 as follows:

6 (70 ILCS 2405/11) (from Ch. 42, par. 310)

7 Sec. 11. Except as otherwise hereinafter provided, all 8 contracts for purchases or sales by a sanitary district 9 organized under this Act, the expense of which will exceed the mandatory competitive bid threshold, shall be let to the 10 11 lowest responsible bidder therefor upon not less than 14 days' public notice of the terms and conditions upon which the 12 contract is to be let, having been given by publication in a 13 14 newspaper of general circulation published in the district, and the board may reject any and all bids, and readvertise. In 15 determining the lowest responsible bidder, the board shall 16 take into consideration the qualities and serviceability of 17 the articles supplied, their conformity with specifications, 18 19 their suitability to the requirements of the district, the 20 availability of support services, the uniqueness of the service, materials, equipment, or supplies as it applies to 21 22 network integrated computer systems, the compatibility of the service, materials, equipment or supplies with existing 23

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equipment, and the delivery terms. Contracts for services in excess of the mandatory competitive bid threshold may, subject to the provisions of this Section, be let by competitive bidding at the discretion of the district board of trustees.

5 Cash, a cashier's check, a certified check, or a bid bond with adequate surety approved by the board of trustees as a 6 deposit of good faith, in a reasonable amount, but not in 7 8 excess of 10% of the contract amount, may be required of each 9 bidder by the district on all bids involving amounts in excess 10 of the mandatory competitive bid threshold and, if so 11 required, the advertisement for bids shall so specify.

12 Except for certain construction contracts as otherwise 13 provided by this Section, all All contracts for purchases or 14 sales that will not exceed the mandatory competitive bid 15 threshold may be made in the open market without publication 16 in a newspaper as above provided, but whenever practical shall 17 be based on at least 3 competitive bids. For purposes of this Section, the "mandatory competitive bid threshold" is a dollar 18 amount equal to 0.1% of the total general fixed assets of the 19 20 district as reported in the most recent required audit report. In no event, however, shall the mandatory competitive bid 21 22 threshold dollar amount be less than \$25,000 \$10,000, nor more 23 than \$100,000 \$40,000.

Notwithstanding this Section, all construction contracts that the sanitary district reasonably expects to be in excess of \$60,000 but not in excess of \$100,000 may be made in the HB1602 Engrossed - 3 - LRB103 03462 AWJ 48468 b

open market without publication in a newspaper as otherwise 1 2 provided in this Section, but, when practical, shall be based 3 on at least 3 competitive bids that shall: (i) identify the scope of work; (ii) provide the same scope of work, cost 4 5 estimates, and time for response to all contacted businesses; (iii) consider registered Illinois small businesses, business 6 enterprises, including female-owned enterprises, 7 minority-owned enterprises, and enterprises owned by persons 8 9 with a disability, and veteran-owned firms; and (iv) attempt to avoid repetitive use of the same prime contractor in the 10 11 same calendar year unless the same contractor is the lowest 12 responsible bidder. When applicable, the bids must comply with 13 the Prevailing Wage Act.

If a unit of local government performs non-emergency 14 15 construction, alteration, repair, improvement, or maintenance 16 work on the public way, the sanitary district may enter into an 17 intergovernmental agreement with the unit of local government allowing similar construction work to be performed by the 18 19 sanitary district on the same project, in an amount no greater than \$300,000 \$100,000, to save taxpayer funds and eliminate 20 duplication of government effort. The sanitary district and 21 22 the other unit of local government shall, before work is 23 performed by either unit of local government on a project, adopt a resolution by a majority vote of both governing bodies 24 25 certifying work will occur at a specific location, the reasons 26 why both units of local government require work to be

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performed in the same location, and the projected cost savings 1 2 if work is performed by both units of local government on the same project. Officials or employees of the sanitary district 3 may, if authorized by resolution, purchase in the open market 4 5 any supplies, materials, equipment, or services for use within the project in an amount no greater than \$300,000 \$100,000 6 7 without advertisement or without filing a requisition or 8 estimate. A full written account of each project performed by 9 the sanitary district and a requisition for the materials, 10 supplies, equipment, and services used by the sanitary 11 district required to complete the project must be submitted by 12 the officials or employees authorized to make purchases to the board of trustees of the sanitary district no later than 30 13 14 days after purchase. The full written account must be 15 available for public inspection for at least one year after 16 expenditures are made.

17 Contracts which by their nature are not adapted to award by competitive bidding, including, without limitation, 18 contracts for the services of individuals, groups or firms 19 possessing a high degree of professional skill where the 20 ability or fitness of the individual or organization plays an 21 22 important part, contracts for financial management services 23 undertaken pursuant to "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, 24 25 as now or hereafter amended, contracts for the purchase or sale of utilities, contracts for materials economically 26

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procurable only from a single source of supply, contracts for 1 2 the use, purchase, delivery, movement, or installation of data 3 equipment, software, or services processing and telecommunications and interconnect equipment, software, or 4 5 services, contracts for duplicating machines and supplies, contracts for goods or services procured from 6 another 7 governmental agency, purchases of equipment previously owned 8 by an entity other than the district itself, and leases of real 9 property where the sanitary district is the lessee shall not 10 be subject to the competitive bidding requirements of this 11 Section.

12 The competitive bidding requirements of this Section do 13 not apply to contracts for construction of a facility or 14 structure for the sanitary district when the facility or 15 structure will be designed, built, and tested before being 16 conveyed to the sanitary district.

17 The competitive bidding requirements of this Section do not apply to contracts, including contracts for both materials 18 19 and services incidental thereto, for the repair or replacement 20 of a sanitary district's treatment plant, sewers, equipment, 21 or facilities damaged or destroyed as the result of a sudden or 22 unexpected occurrence, including, but not limited to, a flood, 23 fire, tornado, earthquake, storm, or other natural or man-made disaster, if the board of trustees determines in writing that 24 25 the awarding of those contracts without competitive bidding is 26 reasonably necessary for the sanitary district to maintain HB1602 Engrossed - 6 - LRB103 03462 AWJ 48468 b

compliance with a permit issued under the National Pollution 1 2 Discharge Elimination System (NPDES) or any successor system or with any outstanding order relating to that compliance 3 issued by the United States Environmental Protection Agency, 4 5 the Illinois Environmental Protection Agency, or the Illinois Pollution Control Board. The authority to issue contracts 6 without competitive bidding pursuant to this paragraph expires 7 8 6 months after the date of the writing determining that the 9 awarding of contracts without competitive bidding is 10 reasonably necessary.

11 Where the board of trustees declares, by a 2/3 vote of all 12 members of the board, that there exists an emergency affecting the public health or safety, contracts totaling not more than 13 14 the emergency contract cap may be let to the extent necessary 15 to resolve such emergency without public advertisement or 16 competitive bidding. For purposes of this Section, the 17 "emergency contract cap" is a dollar amount equal to 0.4% of the total general fixed assets of the district as reported in 18 the most recent required audit report. In no event, however, 19 20 shall the emergency contract cap dollar amount be less than 21 \$100,000 \$40,000, nor more than \$300,000 \$100,000. The 22 ordinance or resolution embodying the emergency declaration 23 shall contain the date upon which such emergency will terminate. The board of trustees may extend the termination 24 25 date if in its judgment the circumstances so require. A full 26 written account of the emergency, together with a requisition HB1602 Engrossed - 7 - LRB103 03462 AWJ 48468 b

for the materials, supplies, labor or equipment required 1 2 therefor shall be submitted immediately upon completion and 3 shall be open to public inspection for a period of at least one year subsequent to the date of such emergency purchase. Within 4 5 30 days after the passage of the resolution or ordinance declaring an emergency affecting the public health or safety, 6 7 the District shall submit to the Illinois Environmental 8 Protection Agency the full written account of any such 9 emergency along with a copy of the resolution or ordinance 10 declaring the emergency, in accordance with requirements as 11 may be provided by rule.

12 A contract for any work or other public improvement, to be paid for in whole or in part by special assessment or special 13 taxation, shall be entered into and the performance thereof 14 controlled by Division 2 of Article 9 of the "Illinois 15 16 Municipal Code", approved May 29, 1961, as heretofore and 17 hereafter amended, as near as may be. The contracts may be let for making proper and suitable connections between the mains 18 19 and outlets of the respective sewers in the district with any 20 conduit, conduits, main pipe or pipes that may be constructed by such sanitary district. 21

22 (Source: P.A. 100-882, eff. 8-14-18.)

23 Section 99. Effective date. This Act takes effect upon 24 becoming law.