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 Section 30-30 and by adding Section 1-15.93 as follows:

(30 ILCS 500/1-15.93 new)

Sec. 1-15.93. Single prime. "Single prime" means the design-bid-build procurement delivery method for a building construction project in which the Capital Development Board is the construction 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 This Section is repealed on January 1, 2020.

(30 ILCS 500/30-30)

Sec. 30-30. <u>Design-bid-build construction</u>. Contracts in excess of \$250,000.

(a) The provisions of this subsection are operative through December 31, 2019.

For building construction contracts in excess of \$250,000, separate specifications \underline{may} \underline{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 <u>may</u> <u>must</u> 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 <u>may</u> <u>shall</u> 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.

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, Females, 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 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 the 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 single prime method shall be made in writing to the Capital Development Board, posted on the online Procurement Bulletin, and shall state the reasons why the single prime method was

disapproved and why it is not in the best interest of the State.

- (b) The provisions of this subsection are operative on and after January 1, 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 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.

Until a date 4 years after July 1, 2011, the requirements of this Section do not apply to a construction project for which the Capital Development Board is the construction agency if: (i) the project budget is at least \$15,000,000; (ii) the Capital Development Board has submitted to the Procurement Policy Board a written request for a public hearing on waiver of the application of the requirements of this Section to that project, including its reasons for seeking the waiver and why the waiver is in the best interest of the State; (iii) the Capital Development Board has posted notice of the waiver hearing on its procurement web page and on the online Procurement Bulletin at least 15 calendar days before the hearing; (iv) the Procurement Policy Board, after conducting the 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 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 5 subdivisions of work set forth in this Section; and (vii) the contract entered into with the successful bidder provides that no identified subcontractor may be terminated without the written consent of the Capital Development Board. With respect to any construction project

described in this paragraph, the Capital Development Board shall: (i) provide to the Auditor General an affidavit that the waiver of the application of the requirements of this Section is in the best interest of the State; (ii) specify in writing as a public record that the project shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Females, 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 and the General Assembly on the bidding, award, and performance. On and after January 1, 2009 (the effective date of Public Act 95-758), the Capital Development Board may award in each year contracts with an aggregate total value of no more than \$200,000,000 with respect to construction projects described in this paragraph.

Until a date 11 years after November 29, 2005 (the effective date of Public Act 94 699), the requirements of this Section do not apply to the Capitol Building HVAC upgrade project if (i) the bid of the successful bidder identifies 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, and (ii) the contract entered into with the successful bidder provides that no identified subcontractor may be terminated without the written consent of the Capital Development Board.

(Source: P.A. 97-182, eff. 7-22-11; 98-431, eff. 8-16-13;

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HB3497 Enrolled

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98-1076, eff. 1-1-15.)

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