

Sen. Chapin Rose

## Filed: 4/19/2018

	10000SB2704sam001 LRB100 17612 RJF 38349 a
1	AMENDMENT TO SENATE BILL 2704
2	AMENDMENT NO Amend Senate Bill 2704 by replacing
3	everything after the enacting clause with the following:
4 5	"Section 5. The Illinois Procurement Code is amended by changing Section 20-10 as follows:
6	(30 ILCS 500/20-10)
7	(Text of Section from P.A. 96-159, 96-588, 97-96, 97-895,
8	98-1076, 99-906 and 100-43)
9	Sec. 20-10. Competitive sealed bidding; reverse auction.
10	(a) Conditions for use. All contracts shall be awarded by
11	competitive sealed bidding except as otherwise provided in
12	Section 20-5.
13	(b) Invitation for bids. An invitation for bids shall be
14	issued and shall include a purchase description and the
15	material contractual terms and conditions applicable to the
16	procurement.

1 (c) Public notice. Public notice of the invitation for bids 2 shall be published in the Illinois Procurement Bulletin at 3 least 14 calendar days before the date set in the invitation 4 for the opening of bids.

5 (d) Bid opening. Bids shall be opened publicly or through an electronic procurement system in the presence of one or more 6 witnesses at the time and place designated in the invitation 7 for bids. For bids opened publicly, bidders need not be 8 9 physically present at the place designated in the invitation 10 for bids, but may instead participate in the bidding process through contemporaneous audiovisual communication from a 11 different location. The name of each bidder, the amount of each 12 13 bid, and other relevant information as may be specified by rule shall be recorded. After the award of the contract, the winning 14 15 bid and the record of each unsuccessful bid shall be open to 16 public inspection.

(e) Bid acceptance and bid evaluation. Bids shall be 17 unconditionally accepted without alteration or correction, 18 except as authorized in this Code. Bids shall be evaluated 19 20 based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as 21 22 inspection, testing, quality, workmanship, delivery, and 23 suitability for a particular purpose. Those criteria that will 24 affect the bid price and be considered in evaluation for award, 25 such as discounts, transportation costs, and total or life 26 cycle costs, shall be objectively measurable. The invitation 10000SB2704sam001 -3- LRB100 17612 RJF 38349 a

1

for bids shall set forth the evaluation criteria to be used.

Correction or withdrawal of bids. Correction or 2 (f) 3 withdrawal of inadvertently erroneous bids before or after 4 award, or cancellation of awards of contracts based on bid 5 mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of 6 bids prejudicial to the interest of the State or fair 7 competition shall be permitted. All decisions to permit the 8 9 correction or withdrawal of bids based on bid mistakes shall be 10 supported by written determination made by a State purchasing 11 officer.

(g) Award. The contract shall be awarded with reasonable 12 13 promptness by written notice to the lowest responsible and 14 responsive bidder whose bid meets the requirements and criteria 15 set forth in the invitation for bids, except when a State 16 purchasing officer determines it is not in the best interest of the State and by written explanation determines another bidder 17 18 shall receive the award. The explanation shall appear in the appropriate volume of the Illinois Procurement Bulletin. The 19 20 written explanation must include:

21

(1) a description of the agency's needs;

(2) a determination that the anticipated cost will befair and reasonable;

24 (3) a listing of all responsible and responsive25 bidders; and

26

(4) the name of the bidder selected, the total contract

1

price, and the reasons for selecting that bidder.

Each chief procurement officer may adopt guidelines to 2 3 implement the requirements of this subsection (g).

4 The written explanation shall be filed with the Legislative 5 Audit Commission and the Procurement Policy Board, and be made available for inspection by the public, within 30 calendar days 6 after the agency's decision to award the contract. 7

8 (h) Multi-step sealed bidding. When it is considered 9 impracticable to initially prepare a purchase description to 10 support an award based on price, an invitation for bids may be 11 issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders 12 13 whose offers have been qualified under the criteria set forth in the first solicitation. 14

15 (i) Alternative procedures. Notwithstanding any other 16 provision of this Act to the contrary, the Director of the Agency may create alternative bidding 17 Illinois Power procedures to be used in procuring professional services under 18 Section 1-56, subsections (a) and (c) of Section 1-75 and 19 20 subsection (d) of Section 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) of the Public Utilities Act and to 21 22 procure renewable energy resources under Section 1-56 of the 23 Illinois Power Agency Act. These alternative procedures shall 24 be set forth together with the other criteria contained in the 25 invitation for bids, and shall appear in the appropriate volume 26 of the Illinois Procurement Bulletin.

10000SB2704sam001 -5- LRB100 17612 RJF 38349 a

1 (j) Reverse auction. Notwithstanding any other provision of this Section and in accordance with rules adopted by the 2 chief procurement officer, that chief procurement officer may 3 4 procure supplies or services through a competitive electronic 5 auction bidding process after the chief procurement officer determines that the use of such a process will be in the best 6 interest of the State. The chief procurement officer shall 7 publish that determination in his or her next volume of the 8 9 Illinois Procurement Bulletin.

10 An invitation for bids shall be issued and shall include 11 (i) a procurement description, (ii) all contractual terms, 12 whenever practical, and (iii) conditions applicable to the 13 procurement, including a notice that bids will be received in 14 an electronic auction manner.

15 Public notice of the invitation for bids shall be given in 16 the same manner as provided in subsection (c).

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.

After the auction period has terminated, withdrawal of bids shall be permitted as provided in subsection (f).

26 The contract shall be awarded within 60 calendar days after

the auction by written notice to the lowest responsible bidder, or all bids shall be rejected except as otherwise provided in this Code. Extensions of the date for the award may be made by mutual written consent of the State purchasing officer and the lowest responsible bidder.

6 This subsection does not apply to (i) procurements of 7 professional and artistic services, (ii) telecommunications 8 services, communication services, and information services, 9 and (iii) contracts for construction projects, including 10 design professional services.

11 (Source: P.A. 99-906, eff. 6-1-17; 100-43, eff. 8-9-17.)

12 (Text of Section from P.A. 96-159, 96-795, 97-96, 97-895,
13 98-1076, 99-906, and 100-43)

14 Sec. 20-10. Competitive sealed bidding; reverse auction.

(a) Conditions for use. All contracts shall be awarded by
competitive sealed bidding except as otherwise provided in
Section 20-5.

(b) Invitation for bids. An invitation for bids shall be issued and shall include a purchase description and the material contractual terms and conditions applicable to the procurement.

(c) Public notice. Public notice of the invitation for bids shall be published in the Illinois Procurement Bulletin at least 14 calendar days before the date set in the invitation for the opening of bids. 10000SB2704sam001 -7- LRB100 17612 RJF 38349 a

1 (d) Bid opening. Bids shall be opened publicly or through an electronic procurement system in the presence of one or more 2 3 witnesses at the time and place designated in the invitation 4 for bids. For bids opened publicly, bidders need not be 5 physically present at the place designated in the invitation for bids, but may instead participate in the bidding process 6 through contemporaneous audiovisual communication from a 7 8 different location. The name of each bidder, the amount of each bid, and other relevant information as may be specified by rule 9 10 shall be recorded. After the award of the contract, the winning 11 bid and the record of each unsuccessful bid shall be open to 12 public inspection.

13 (e) Bid acceptance and bid evaluation. Bids shall be 14 unconditionally accepted without alteration or correction, 15 except as authorized in this Code. Bids shall be evaluated 16 based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as 17 inspection, testing, quality, workmanship, delivery, 18 and 19 suitability for a particular purpose. Those criteria that will 20 affect the bid price and be considered in evaluation for award, such as discounts, transportation costs, and total or life 21 22 cycle costs, shall be objectively measurable. The invitation 23 for bids shall set forth the evaluation criteria to be used.

(f) Correction or withdrawal of bids. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards of contracts based on bid 10000SB2704sam001 -8- LRB100 17612 RJF 38349 a

1 mistakes, shall be permitted in accordance with rules. After 2 bid opening, no changes in bid prices or other provisions of 3 bids prejudicial to the interest of the State or fair 4 competition shall be permitted. All decisions to permit the 5 correction or withdrawal of bids based on bid mistakes shall be 6 supported by written determination made by a State purchasing 7 officer.

(q) Award. The contract shall be awarded with reasonable 8 9 promptness by written notice to the lowest responsible and 10 responsive bidder whose bid meets the requirements and criteria 11 set forth in the invitation for bids, except when a State purchasing officer determines it is not in the best interest of 12 13 the State and by written explanation determines another bidder 14 shall receive the award. The explanation shall appear in the 15 appropriate volume of the Illinois Procurement Bulletin. The 16 written explanation must include:

17

(1) a description of the agency's needs;

18 (2) a determination that the anticipated cost will be19 fair and reasonable;

20 (3) a listing of all responsible and responsive21 bidders; and

(4) the name of the bidder selected, the total contractprice, and the reasons for selecting that bidder.

Each chief procurement officer may adopt guidelines to implement the requirements of this subsection (g).

26 The written explanation shall be filed with the Legislative

Audit Commission and the Procurement Policy Board, and be made available for inspection by the public, within 30 days after the agency's decision to award the contract.

4 (h) Multi-step sealed bidding. When it is considered 5 impracticable to initially prepare a purchase description to 6 support an award based on price, an invitation for bids may be 7 issued requesting the submission of unpriced offers to be 8 followed by an invitation for bids limited to those bidders 9 whose offers have been qualified under the criteria set forth 10 in the first solicitation.

11 (i) Alternative procedures. Notwithstanding any other provision of this Act to the contrary, the Director of the 12 13 Illinois Power Agency may create alternative bidding procedures to be used in procuring professional services under 14 15 subsections (a) and (c) of Section 1-75 and subsection (d) of 16 Section 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) of the Public Utilities Act and to procure 17 18 renewable energy resources under Section 1-56 of the Illinois 19 Power Agency Act. These alternative procedures shall be set 20 forth together with the other criteria contained in the 21 invitation for bids, and shall appear in the appropriate volume of the Illinois Procurement Bulletin. 22

(j) Reverse auction. Notwithstanding any other provision of this Section and in accordance with rules adopted by the chief procurement officer, that chief procurement officer may procure supplies or services through a competitive electronic 10000SB2704sam001 -10- LRB100 17612 RJF 38349 a

auction bidding process after the chief procurement officer determines that the use of such a process will be in the best interest of the State. The chief procurement officer shall publish that determination in his or her next volume of the Illinois Procurement Bulletin.

An invitation for bids shall be issued and shall include (i) a procurement description, (ii) all contractual terms, whenever practical, and (iii) conditions applicable to the procurement, including a notice that bids will be received in an electronic auction manner.

Public notice of the invitation for bids shall be given in the same manner as provided in subsection (c).

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.

After the auction period has terminated, withdrawal of bids shall be permitted as provided in subsection (f).

The contract shall be awarded within 60 calendar days after the auction by written notice to the lowest responsible bidder, or all bids shall be rejected except as otherwise provided in this Code. Extensions of the date for the award may be made by mutual written consent of the State purchasing officer and the 10000SB2704sam001 -11- LRB100 17612 RJF 38349 a

1 lowest responsible bidder.

2 This subsection does not apply to (i) procurements of 3 professional and artistic services, (ii) telecommunications 4 services, communication services, and information services, 5 and (iii) contracts for construction projects, including 6 design professional services.

7 (Source: P.A. 99-906, eff. 6-1-17; 100-43, eff. 8-9-17.)".