

101ST GENERAL ASSEMBLY State of Illinois 2019 and 2020 SB3185

Introduced 2/11/2020, by Sen. Antonio Muñoz

SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-15.93 30 ILCS 500/30-30 30 ILCS 537/5 30 ILCS 537/10 30 ILCS 537/90 rep.

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. Amends the Design-Build Procurement Act. Provides that the term "State construction agency" as used in the Act includes institutions of higher education. Extends repeal and inoperative dates. Makes conforming changes. Effective immediately.

LRB101 17347 RJF 66752 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- 7 (Section scheduled to be repealed on January 1, 2021)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 This Section is repealed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, $2026 \ 2021$.
- 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, 2025 2020.
- 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 subsections (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,

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 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; (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 successful low bidder shall be prequalified by the Capital Development Board.

With respect to any construction project described in this

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subsection (a-5), the Capital Development Board 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 and General Assembly on the bidding,

award, and performance of all single prime projects.

(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 5 subdivisions of work enumerated in subsection (a). Any institution of higher education contract 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 if: (i) the institution of higher education has submitted to the Procurement Policy Board a written notice that 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 notice provided under this item (i) shall be posted on the institution of higher education's online procurement webpage and on the online Procurement Bulletin at least 3 business days following

submission to the Procurement Policy Board; (ii) the successful low bidder has prequalified with the institution of higher education; (iii) 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 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 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

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after the effective date of this amendatory Act of the 10st General Assembly, the 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. The Board of Trustees of the University of Illinois may award in each fiscal year single prime contracts with an aggregate total value of no more than \$300,000,000.

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 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

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| of the Car | oital Dev | elopment | Board. | | | | |

- (b) The provisions of this subsection are operative on and after January 1, 2026 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 1
- 2 subdivision of work designated by the construction agency
- 3 before the bidding as the prime subdivision of work, provided
- that all payments will be made directly to the contractors for 4
- 5 the 5 subdivisions of work upon compliance with the conditions
- 6 of the contract.
- 7 (Source: P.A. 100-391, eff. 8-25-17; 101-369, eff. 12-15-19.)
- 8 Section 10. The Design-Build Procurement Act is amended by
- 9 changing Sections 5 and 10 as follows:
- 10 (30 ILCS 537/5)
- 11 (Section scheduled to be repealed on July 1, 2022)
- Sec. 5. Legislative policy. It is the intent of the 12
- 13 General Assembly that the State construction agency Capital
- 14 Development Board be allowed to use the design-build delivery
- 15 method for public projects if it is shown to be in the State's
- 16 best interest for that particular project. It shall be the
- 17 policy of the State construction agency Capital Development
- Board in the procurement of design-build services to publicly 18
- announce all requirements for design-build services and to 19
- 20 procure these services on the basis of demonstrated competence
- 21 and qualifications and with due regard for the principles of
- 22 competitive selection.
- 23 The State construction agency Capital Development Board
- 24 shall, prior to issuing requests for proposals, promulgate and

publish procedures for the solicitation and award of contracts pursuant to this Act.

The State construction agency Capital Development Board shall, for each public project or projects permitted under this Act, make a written determination, including a description as to the particular advantages of the design-build procurement method, that it is in the best interests of this State to enter into a design-build contract for the project or projects. In making that determination, the following factors shall be considered:

- (1) The probability that the design-build procurement method will be in the best interests of the State by providing a material savings of time or cost over the design-bid-build or other delivery system.
- (2) The type and size of the project and its suitability to the design-build procurement method.
- (3) The ability of the State construction agency to define and provide comprehensive scope and performance criteria for the project.

No State construction agency may use a design-build procurement method unless the agency determines in writing that the project will comply with the disadvantaged business and equal employment practices of the State as established in the Business Enterprise for Minorities, Women, and Persons with Disabilities Act and Section 2-105 of the Illinois Human Rights Act.

- 1 The <u>State construction agency</u> Capital Development Board
- 2 shall within 15 days after the initial determination provide an
- 3 advisory copy to the Procurement Policy Board and maintain the
- 4 full record of determination for 5 years.
- 5 (Source: P.A. 100-391, eff. 8-25-17.)
- 6 (30 ILCS 537/10)
- 7 (Section scheduled to be repealed on July 1, 2022)
- 8 Sec. 10. Definitions. As used in this Act:
- 9 "State construction agency" means the Capital Development
- 10 Board and institutions of higher education.
- "Delivery system" means the design and construction
- approach used to develop and construct a project.
- "Design-bid-build" means the traditional delivery system
- 14 used on public projects in this State that incorporates the
- 15 Architectural, Engineering, and Land Surveying Qualification
- 16 Based Selection Act (30 ILCS 535/) and the principles of
- 17 competitive selection in the Illinois Procurement Code (30 ILCS
- 18 500/).
- "Design-build" means a delivery system that provides
- 20 responsibility within a single contract for the furnishing of
- 21 architecture, engineering, land surveying and related services
- 22 as required, and the labor, materials, equipment, and other
- 23 construction services for the project.
- "Design-build contract" means a contract for a public
- 25 project under this Act between the State construction agency

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1 and design-build entity to furnish architecture, 2 engineering, land surveying, and related services as required, and to furnish the labor, materials, equipment, and other 3 construction services for the project. The design-build 4 5 contract may be conditioned upon subsequent refinements in scope and price and may allow the State construction agency to 6 make modifications in the project scope without invalidating 7 8 the design-build contract.

"Design-build entity" means any individual, sole proprietorship, firm, partnership, joint venture, corporation, professional corporation, or other entity that proposes to design and construct any public project under this Act. A design-build entity and associated design-build professionals shall conduct themselves in accordance with the laws of this State and the related provisions of the Illinois Administrative Code, as referenced by the licensed design professionals Acts of this State.

"Design professional" means any individual, sole proprietorship, firm, partnership, joint venture, corporation, professional corporation, or other entity that offers services under the Illinois Architecture Practice Act of 1989 (225 ILCS 305/), the Professional Engineering Practice Act of 1989 (225 ILCS 325/), the Structural Engineering Licensing Act of 1989 (225 ILCS 340/), or the Illinois Professional Land Surveyor Act of 1989 (225 ILCS 330/).

"Evaluation criteria" means the requirements for the

- separate phases of the selection process as defined in this Act and may include the specialized experience, technical
- 3 qualifications and competence, capacity to perform, past
- 4 performance, experience with similar projects, assignment of
- 5 personnel to the project, and other appropriate factors. Price
- 6 may not be used as a factor in the evaluation of Phase I
- 7 proposals.
- 8 "Proposal" means the offer to enter into a design-build
- 9 contract as submitted by a design-build entity in accordance
- 10 with this Act.
- "Request for proposal" means the document used by the State
- 12 construction agency to solicit proposals for a design-build
- 13 contract.
- "Scope and performance criteria" means the requirements
- 15 for the public project, including but not limited to, the
- intended usage, capacity, size, scope, quality and performance
- 17 standards, life-cycle costs, and other programmatic criteria
- 18 that are expressed in performance-oriented and quantifiable
- 19 specifications and drawings that can be reasonably inferred and
- 20 are suited to allow a design-build entity to develop a
- 21 proposal.
- 22 (Source: P.A. 94-716, eff. 12-13-05.)
- 23 (30 ILCS 537/90 rep.)
- Section 15. The Design-Build Procurement Act is amended by
- 25 repealing Section 90.

1 Section 99. Effective date. This Act takes effect December

2 15, 2020.