

## Sen. Don Harmon

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## 09600SB0108sam001

## LRB096 04849 AJT 23534 a

1	AMENDMENT TO SENATE BILL 108
2	AMENDMENT NO Amend Senate Bill 108 by replacing
3	everything after the enacting clause with the following:
4 5	"Section 1. Short title. This Act may be cited as the Public-Private Partnerships for Transportation Act.
6	Section 5. Public policy and legislative intent.
7	(a) It is the public policy of the State of Illinois to
8	promote the development and operation of transportation
9	facilities that serve the needs of the public.
10	(b) Existing methods of procurement and financing of
11	transportation facilities by the Department and the Authority
12	impose limitations on the methods by which transportation
13	facilities may be developed and operated within the State.
14	(c) Authorizing the Department and the Authority to enter

into public-private partnerships, whereby private entities may

develop, operate, and finance transportation facilities, has

- 1 the potential to promote the development of transportation
- 2 facilities in the State as well as investment in the State.
- 3 (d) It is the intent of this Act to promote public-private
- 4 partnerships for transportation by authorizing the Department
- 5 and the Authority to enter into public-private agreements for
- 6 the development, operation, and financing of transportation
- 7 facilities.
- 8 Section 10. Definitions. As used in this Act:
- 9 "Authority" means the Illinois State Toll Highway
- 10 Authority.
- "Contractor" means a private entity that has entered into a
- 12 public-private agreement with the transportation agency to
- provide services to or on behalf of the transportation agency.
- 14 "Department" means the Illinois Department of
- 15 Transportation.
- "Develop" or "development" means to do one or more of the
- following: plan, design, develop, lease, acquire, install,
- 18 construct, reconstruct, rehabilitate, extend, or expand.
- "Maintain" or "maintenance" includes ordinary maintenance,
- 20 repair, rehabilitation, capital maintenance, maintenance
- 21 replacement, and any other categories of maintenance that may
- 22 be designated by the transportation agency.
- "Offeror" means a private entity that has submitted a
- 24 proposal for a public-private agreement under this Act.
- "Operate" or "operation" means to do one or more of the

1 following: maintain, improve, equip, modify, or otherwise

2 operate.

"Private entity" means any combination of one or more individuals, corporations, general partnerships, limited liability companies, limited partnerships, joint ventures, business trusts, nonprofit entities, or other business entities that are parties to a proposal for a transportation project or an agreement related to a transportation project. A public agency may provide services to a contractor as a subcontractor or subconsultant without affecting the private status of the private entity and the ability to enter into a public-private agreement.

"Public-private agreement" means the public-private agreement between the contractor and the transportation agency relating to one or more of the development, financing, or operation of a transportation project that is entered into under this Act.

"Request for proposals" means all materials and documents prepared by or on behalf of the transportation agency to solicit proposals from offerors to enter into a public-private agreement.

"Request for qualifications" means all materials and documents prepared by or on behalf of the transportation agency to solicit qualification submittals from offerors to enter into a public-private agreement.

"Revenues" means all revenues, including any combination

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1 of: income; earnings and interest; user fees; lease payments; 2 allocations; federal, State, and local appropriations, grants, loans, lines of credit, and credit quarantees; bond proceeds; 3 4 equity investments; service payments; or other receipts; 5 arising out of or in connection with a transportation project, 6 including the development, financing, and operation of a transportation project. The term includes money received as 7 grants, loans, lines of credit, credit guarantees, or otherwise 8 in aid of a transportation project from the federal government, 9 10 the State, a unit of local government, or any agency or 11 instrumentality of the federal government, the State, or a unit of local government. 12

"Transportation agency" means the Department or the Authority.

"Transportation project" or "project" means a project undertaken under this Act with respect to all or a portion of any new or existing road, highway, toll highway, bridge, tunnel, intermodal facility, or other transportation facility or infrastructure under the jurisdiction of the transportation agency; a transportation project may not, however, include an airport located within a county with a population of more than 500,000.

"User fees" or "tolls" means the rates, tolls, fees, or other charges imposed by the contractor for use of all or a portion of a transportation project under a public-private agreement.

- Section 15. Formation of public-private agreements;
  project planning.
  - (a) Each transportation agency may exercise the powers granted by this Act to do some or all of develop, finance, and operate any part of one or more transportation projects through public-private agreements with one or more private entities. Each transportation agency may use the revenues arising out of one transportation project or public-private agreement and use them for some or all of developing, financing, and operating any part of one or more additional or other transportation projects through public-private agreements with one or more private entities or as otherwise deemed appropriate by the transportation agency.

#### (b) A contractor has:

- (1) all powers allowed by law generally to a private entity having the same form of organization as the contractor; and
- (2) the power to develop, finance, and operate the transportation project and to impose user fees in connection with the use of the transportation project, subject to the terms of the public-private agreement.
- No tolls or user fees may be imposed by the contractor except as set forth in a public-private agreement.
  - (c) Each year, at least 30 days prior to the beginning of the transportation agency's fiscal year, and at other times the

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1 transportation agency deems necessary, the transportation agency shall submit for review, to the President of the Senate, the Speaker of the House of Representatives, the Minority 3 Leader of the Senate, and the Minority Leader of the House of Representatives, a description of potential projects that the 6 transportation agency is considering undertaking under this Act. The transportation agency may undertake any potential 7 project regarding which it has submitted a description unless, within 60 days of their receipt of the description of the potential project, the transportation agency receives notice to the contrary from the President of the Senate, the Speaker of the House of Representatives, the Minority Leader of the Senate, and the Minority Leader of the House of Representatives.

- (d) Each year, at least 30 days prior to the beginning of the transportation agency's fiscal year, the transportation agency shall submit a description of potential projects that the transportation agency is considering undertaking under this Act to each county, municipality, and metropolitan planning organization, with respect to each project located within its boundaries.
- 22 (e) Any project undertaken under this Act shall be subject 23 to all applicable planning requirements otherwise required by 24 including land use planning, regional planning, 25 transportation planning, and environmental compliance 26 requirements.

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- 1 (f) Any new transportation facility developed as a project 2 under this Act must be consistent with the metropolitan planning organization's regional plan then in existence with 3 4 respect to each project located within a metropolitan planning 5 organization's boundaries.
- Section 20. Procurement process. 6
  - (a) The transportation agency may request proposals from private entities for some or all of the development, financing, and operation of one or more transportation projects.
  - (b) The transportation agency may pursue a competitive proposal process using a request for qualifications and a request for proposals process or proceed directly to a request for proposals.
    - (c) If the transportation agency elects to utilize a request for qualifications phase, it shall provide a public notice of the request for qualifications for such period as deemed appropriate or warranted by the transportation agency and shall set forth requirements and evaluation criteria in the request for qualifications. Upon receipt of qualifications, the transportation agency shall choose which parties that have submitted qualifications, if any, meet the requirements and evaluation criteria in the request for qualifications and shall issue requests for proposals only to those parties.
    - (d) If the transportation agency has not issued a request for qualification under this Section and intends to use only a

- 1 request for proposals procurement, the transportation agency
- 2 shall provide a public notice of the request for proposals for
- 3 a period deemed appropriate or warranted by the transportation
- 4 agency.

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- (e) A request for proposals shall:
- 6 (1) indicate in general terms the scope of work, goods,
  7 and services sought to be procured;
  - (2) contain or incorporate by reference the specifications and contractual terms and conditions applicable to the procurement and the transportation project;
  - (3) specify the factors, criteria, and other information that will be used in evaluating the proposals;
    - (4) contain or incorporate by reference the other applicable contractual terms and conditions; and
  - (5) contain or incorporate by reference any other provisions, materials, or documents the transportation agency deems appropriate.
  - (f) The transportation agency shall determine the evaluation criteria that are most appropriate for each transportation project and shall set forth those criteria in the request for proposals. The transportation agency may use (i) a selection process that results in selection of the proposal offering the best value to the public, (ii) a selection process that results in selection of the proposal offering the lowest price or cost or the highest payment to, or

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- revenue sharing with, the transportation agency, (iii) a selection process that results in the imposition of tolls for the shortest period, or (iv) any other selection process that the transportation agency determines is in the best interests of the State and the public.
  - (g) After the procedures required in this Act have been completed, the transportation agency shall make a determination as to whether the successful offeror should be designated as the contractor for the transportation project.
  - (h) After designating the successful offeror as the contractor for the project, the transportation agency shall execute the public-private agreement and publish notice of the execution of the public-private agreement.
  - (i) Any action to contest the validity of a public-private agreement entered into under this Act must be brought no later than 30 days after the date of publication of the notice of execution of the public-private agreement.
  - (j) In addition to any other rights under this Act, in connection with any procurement under this Act, the following rights are reserved to each transportation agency:
    - (1) to withdraw a request for qualifications or a request for proposals at any time. The transportation agency may then publish a new request for qualifications or request for proposals;
- 25 (2) to not award a public-private agreement for any reason;

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- 1 (3) to request clarifications to any qualification submittal or request for proposals, to seek one or more 2 3 revised proposals or one or more best and final offers, or 4 to conduct negotiations with one or more offerors;
  - (4) to modify, during the pendency of a procurement, the terms, provisions, and conditions of a request for qualification or request for proposals or the technical specifications or form of a public-private agreement;
    - (5) to interview offerors; and
  - (6) any other rights available to the transportation agency under applicable law and regulations.
- 12 Section 25. Public-private agreements.
- 13 Before developing, financing, or operating 14 transportation project, the contractor shall enter into a 15 public-private agreement with the transportation agency. Subject to the other provisions of this Act, the transportation 16 17 agency and a private entity may enter into a public-private 18 agreement with respect to a project. Subject 19 requirements of this Act, a public-private agreement may provide that the private entity, acting on behalf of the 20 21 transportation agency, is partially or entirely responsible for any combination of developing, financing, or operating the 22 23 transportation project under terms set forth in the 24 public-private agreement.
  - as determined The public-private agreement may, (b)

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- 1 appropriate by the transportation agency for the particular transportation project, provide for some or all of 2 3 following:
  - (1) Construction of the transportation project under terms set forth in the public-private agreement, which may include design-build construction.
  - (2) Delivery of performance and payment bonds or other security determined suitable bv transportation agency, including letters of credit, United States bonds and notes, parent quaranties, and cash collateral, in connection with the development, financing, or operation of the transportation project, in the forms and amounts set forth in the public-private agreement or otherwise determined as satisfactory by the transportation agency to protect the transportation agency and payment bond beneficiaries who have а direct contractual relationship with the contractor or a subcontractor of the contractor to supply labor or material. The payment or performance bond or alternative form of performance security is not required for the portion of public-private agreement that includes only design, planning, or financing services, the performance of preliminary studies, or the acquisition of real property.
  - (3) Review of plans for any development or operation, both, of the transportation project by transportation agency.

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(4) Inspection of any construction of or improvements to the transportation project by the transportation agency or another entity designated by the transportation agency or under the public-private agreement to ensure that the construction or improvements conform to the standards set forth in the public-private agreement or are otherwise acceptable to the transportation agency.

### (5) Maintenance of:

(A) one or more policies of public liability insurance (copies of which shall be filed with the transportation agency accompanied by proofs coverage); or

#### (B) self-insurance;

each in form and amount as set forth in the public-private agreement or otherwise satisfactory to the transportation agency as reasonably sufficient to insure coverage of tort liability to the public and employees and to enable the continued operation of the transportation project.

(6) Where operations are included within t.he contractor's obligations under public-private the agreement, monitoring of the maintenance practices of the contractor by the transportation agency or another entity designated by the transportation agency or under the public-private agreement and the taking of the actions the transportation agency finds appropriate to ensure that the transportation project is properly maintained.

1	(7) Reimbursement to be paid to the transportation
2	agency as set forth in the public-private agreement for
3	services provided by the transportation agency.
4	(8) Filing of appropriate financial statements and
5	reports as set forth in the public-private agreement or as
6	otherwise in a form acceptable to the transportation agency
7	on a periodic basis.
8	(9) Compensation or payments to the contractor.
9	Compensation or payments may include any or a combination
10	of the following:
11	(A) a base fee and additional fee for project
12	savings as the design-builder of a construction
13	project;
14	(B) a development fee, payable on a lump sum basis,
15	progress payment basis, time and materials basis, or
16	another basis deemed appropriate by the transportation
17	agency;
18	(C) an operations fee, payable on a lump-sum basis,
19	time and material basis, periodic basis, or another
20	basis deemed appropriate by the transportation agency;
21	(D) some or all of the revenues, if any, arising
22	out of operation of the transportation project;
23	(E) a maximum rate of return on investment or
24	return on equity or a combination of the 2;
25	(F) in-kind services, materials, property,

equipment, or other items;

(G) compensation in the event of any termination;

2	or
3	(H) other compensation set forth in the
4	public-private agreement or otherwise deemed
5	appropriate by the transportation agency.
6	(10) Compensation or payments to the transportation
7	agency, if any. Compensation or payments may include any or
8	a combination of the following:
9	(A) a concession or lease payment or other fee,
10	which may be payable upfront or on a periodic basis or
11	on another basis deemed appropriate by the
12	transportation agency;
13	(B) sharing of revenues, if any, from the operation
14	of the transportation project;
15	(C) sharing of project savings from the
16	construction of the transportation project;
17	(D) payment for any services, materials,
18	equipment, personnel, or other items provided by the
19	transportation agency to the contractor under the
20	public-private agreement or in connection with the
21	transportation project; or
22	(E) other compensation set forth in the
23	public-private agreement or otherwise deemed
24	appropriate by the transportation agency.
25	(11) The date and terms of termination of the
26	contractor's authority and duties under the public-private

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- 1 the circumstances under which agreement and the contractor's authority and duties may be terminated prior 2 to that date. 3
  - (12) Reversion of the transportation project to the transportation agency at the termination or expiration of the public-private agreement.
  - (13) Rights and remedies of the transportation agency in the event that the contractor defaults or otherwise fails to comply with the terms of the public-private agreement.
  - (14) Other terms, conditions, and provisions that the transportation agency believes are in the public interest.
  - The transportation agency may fix and revise the amounts of user fees that a contractor may charge and collect for the use of any part of a transportation project in accordance with the public-private agreement. In fixing the amounts, the transportation agency may establish maximum amounts for the user fees and may provide that the maximums and any increases or decreases of those maximums shall be based upon the indices, methodologies, or other factors the transportation agency considers appropriate.
    - (d) A public-private agreement may:
    - (1) authorize the imposition of tolls in any manner determined appropriate by the transportation agency for the transportation project;
      - (2) authorize the contractor to adjust the user fees

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for the use of the transportation project, so long as the
amounts charged and collected by the contractor do not
exceed the maximum amounts established by the
transportation agency under this Act;

- (3) provide that any adjustment by the contractor permitted under paragraph (2) of this subsection (d) may be based on the indices, methodologies, or other factors described in the public-private agreement or approved by the transportation agency;
- (4) authorize the contractor to charge and collect user fees through manual and non-manual methods, including, but not limited to, automatic vehicle identification systems, electronic toll collection systems, and, to the extent permitted by law, global positioning system-based, photo-based, or video-based toll collection enforcement; and
- (5) authorize the collection of user fees by a third party.
- (e) In the public-private agreement, the transportation agency may agree to make grants or loans for the development or operation, or both, of the transportation project from time to time from amounts received from the federal government or any agency or instrumentality of the federal government or from any State or local agency.
- (f) Upon the termination or expiration of the public-private agreement, including a termination for default,

- 1 the transportation agency shall have the right to take over the
- 2 transportation project and to succeed to all of the right,
- 3 title, and interest in the transportation project, subject to
- 4 any liens on revenues previously granted by the contractor to
- 5 any person providing financing for the transportation project.
- 6 (g) If a transportation agency elects to take over a
- 7 transportation project as provided in subsection (f), the
- 8 transportation agency may do the following:
  - (1) develop, finance, or operate the project; or
- 10 (2) impose, collect, retain, and use user fees, if any,
- 11 for the project.

- 12 (h) If a transportation agency elects to take over a
- 13 transportation project as provided in subsection (f), the
- 14 transportation agency may use the revenues, if any, for any
- 15 lawful purpose, including to:
- 16 (1) make payments to individuals or entities in
- 17 connection with any financing of the transportation
- 18 project;
- 19 (2) pay development costs of the project;
- 20 (3) pay current operation costs of the project or
- 21 facilities;
- 22 (4) pay the contractor for any compensation or payment
- owing upon termination; and
- 24 (5) pay for the development, financing, or operation of
- any other project or projects the transportation agency
- deems appropriate.

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- (i) The full faith and credit of the State or any political subdivision of the State or the transportation agency is not pledged to secure any financing of the contractor by the election to take over the transportation project. Assumption of development or operation, or both, of the transportation project does not obligate the State or any political subdivision of the State or the transportation agency to pay any obligation of the contractor.
- 9 (j) Notwithstanding any other provision of this Act, the 10 transportation agency may enter into a public-private 11 agreement with multiple private entities if the transportation agency determines in writing that it is in the public interest 12 13 to do so.
- 14 Section 30. Development and operations standards 15 transportation projects.
- (a) The plans and specifications, if any, for each project 16 17 developed under this Act must comply with:
- 18 (1) the transportation agency's standards for other 19 projects of a similar nature or as otherwise provided in 20 the public-private agreement; and
- 21 (2) any other applicable State or federal standards.
- 22 (b) Each highway project constructed or operated under this 23 Act is considered to be part of:
- 24 (1)the State highway system for purposes identification, maintenance standards, and enforcement of 25

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- 1 traffic if the highway project is under laws the jurisdiction of the Department; or 2
  - the toll highway system for (2)purposes identification, maintenance standards, and enforcement of traffic laws if the highway project is under jurisdiction of the Authority.
- (c) Any local or State agency may enter into agreements 7 with the contractor for maintenance or other services under 8 9 this Act.
- 10 Section 35. Financial arrangements.
  - (a) The transportation agency may do any combination of applying for, executing, or endorsing applications submitted by private entities to obtain federal, State, or local credit assistance for transportation projects developed, financed, or operated under this Act, including loans, lines of credit, and quarantees.
  - (b) The transportation agency may take any action to obtain federal, State, or local assistance for a transportation project that serves the public purpose of this Act and may enter into any contracts required to receive the federal assistance. The transportation agency may determine that it serves the public purpose of this Act for all or any portion of the costs of a transportation project to be paid, directly or indirectly, from the proceeds of a grant or loan, line of credit, or loan guarantee made by a local, State, or federal

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- 1 government or any agency or instrumentality of a local, State, or federal government. 2
  - (c) The transportation agency may agree to make grants or loans for the development, financing, or operation of a transportation project from time to time, from amounts received from the federal, State, or local government or any agency or instrumentality of the federal, State, or local government.
    - (d) Any financing of a transportation project may be in the amounts and upon the terms and conditions that are determined by the parties to the public-private agreement.
- 11 (e) For the purpose of financing a transportation project, the contractor and the transportation agency may do the 12 13 following:
- 14 (1) propose to use any and all revenues that may be 15 available to them;
  - (2) enter into grant agreements;
- 17 (3) access any other funds available to the 18 transportation agency; and
- 19 (4) accept grants from the transportation agency or 20 other public or private agency or entity.
  - (f) For the purpose of financing a transportation project, public funds may be used and mixed and aggregated with funds provided by or on behalf of the contractor or other private entities.
- 25 (g) For the purpose of financing a transportation project, 26 each transportation agency is authorized to apply for an

- 1 allocation of tax-exempt bond financing authorization provided
- by Section 11143 of the Federal Safe, Accountable, Flexible, 2
- 3 Efficient Transportation Equity Act: A Legacy for Users
- (SAFETEA-LU), Public Law 109-59, as well as financing available 4
- 5 under any other federal law or program.
- 6 (h) Any bonds, debt, or other securities or other financing
- issued for the purposes of this Act shall not be deemed to 7
- 8 constitute a debt of the State or any political subdivision of
- the State or a pledge of the faith and credit of the State or 9
- 10 any political subdivision of the State.
- Section 40. Acquisition of property. 11
- 12 (a) The transportation agency may exercise any power of
- 13 condemnation that it has under law for the purpose of acquiring
- 14 any lands or estates or interests in land for a transportation
- 15 project to the extent provided in the public-private agreement
- or otherwise to the extent that the transportation agency finds 16
- 17 that the action serves the public purpose of this Act.
- 18 (b) The transportation agency and a contractor may enter
- 19 into the leases, licenses, easements, and other grants of
- 20 property interests that the transportation agency determines
- 21 necessary to carry out this Act.
- 22 Section 45. Labor; law enforcement.
- 23 (a) A public-private agreement related to a transportation
- 24 project pertaining to an existing transportation facility

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- 1 shall require the contractor to assume all existing collective 2 bargaining agreement obligations related to employees of the 3 transportation agency employed in relation to that facility.
  - (b) A public-private agreement related to a transportation project pertaining to a new transportation facility shall require the contractor to enter into a project labor agreement that must include provisions establishing the minimum hourly wage, benefits, and other compensation for each class of labor organization employee and such other terms as are negotiated between the contractor and the labor organizations.
  - (c) All law enforcement officers of the State and of each affected local jurisdiction have the same powers and jurisdiction within the limits of the transportation project as they have in their respective areas of jurisdiction.
  - (d) Law enforcement officers shall have access to the transportation project at any time for the purpose exercising the law enforcement officers' powers and jurisdiction.
  - (e) The traffic and motor vehicle laws of the State of Illinois or, if applicable, any local jurisdiction shall be the same as those applying to conduct on similar projects in the State of Illinois or the local jurisdiction.
  - (f) Punishment for infractions and offenses shall be as prescribed by law for conduct occurring on similar projects in the State of Illinois or the local jurisdiction.

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- Section 50. Term of agreement; reversion of property to transportation agency.
- 3 (a) The term of a public-private agreement, including all extensions, may not exceed 99 years.
  - (b) The transportation agency shall terminate the contractor's authority and duties under the public-private agreement on the date set forth in the public-private agreement.
- 9 (c) Upon termination of the public-private agreement, the
  10 authority and duties of the contractor under this Act cease,
  11 except for those duties and obligations that extend beyond the
  12 termination, as set forth in the public-private agreement, and
  13 the transportation project shall revert to the transportation
  14 agency.
- Section 55. Additional powers of transportation agencies with respect to transportation projects.
  - (a) Each transportation agency may exercise any powers provided under this Act in participation or cooperation with any governmental entity and enter into any contracts to facilitate that participation or cooperation without compliance with any other statute.
  - (b) Each transportation agency may make and enter into all contracts and agreements necessary or incidental to the performance of the transportation agency's duties and the execution of the transportation agency's powers under this Act.

- 1 Except as otherwise required by law, these contracts or
- agreements are not subject to any approvals other than the 2
- 3 approval of the transportation agency and may be for any term
- 4 of years and contain any terms that are considered reasonable
- 5 by the transportation agency.
- (c) Each transportation agency may pay the costs incurred 6
- under a public-private agreement entered into under this Act 7
- from any funds available to the transportation agency under 8
- 9 this Act or any other statute.
- 10 (d) A transportation agency or other State agency may not
- 11 take any action that would impair a public-private agreement
- entered into under this Act. 12
- 13 (e) Each transportation agency may enter into an agreement
- 14 between and among the contractor, the transportation agency,
- 15 and the Department of State Police concerning the provision of
- 16 law enforcement assistance with respect to a transportation
- project that is the subject of a public-private agreement under 17
- 18 this Act.
- 19 (f) Each transportation agency is authorized to enter into
- 20 arrangements with the Department of State Police related to
- costs incurred in providing law enforcement assistance under 21
- 22 this Act.
- 23 Section 60. Prohibited local action. A unit of local
- 24 government may not take any action that would have the effect
- 25 of impairing a public-private agreement under this Act.

- Section 65. Powers liberally construed. The 1 2 conferred by this Act shall be liberally construed in order to 3 accomplish their purposes and shall be in addition and 4 supplemental to the powers conferred by any other law. If any 5 other law or rule is inconsistent with this Act, this Act is controlling as to any public-private agreement entered into 6 7 under this Act.
- 8 Section 70. Full and complete authority. This Act contains 9 full and complete authority for agreements and leases with private entities to carry out the activities described in this 10 11 Act. Except as otherwise required by law, no procedure, 12 proceedings, publications, notices, consents, 13 orders, or acts by the transportation agency or any other State 14 or local agency or official are required to enter into an 15 agreement or lease.
- 16 Section 905. The Department of Transportation Law of the 17 Civil Administrative Code of Illinois is amended by adding Section 2705-220 as follows: 18
- (20 ILCS 2705/2705-220 new) 19
- 20 Sec. 2705-220. Public-private partnerships 2.1 transportation. The Department may exercise all powers granted to it under the Public-Private Partnerships for Transportation 22

- 1 Act.
- 2 Section 910. The Illinois Finance Authority Act is amended
- 3 by adding Section 825-100 as follows:
- (20 ILCS 3501/825-100 new) 4
- Sec. 825-100. Transportation project financing. For the 5
- 6 purpose of financing a transportation project undertaken under
- 7 the Public-Private Partnerships for Transportation Act, the
- 8 Authority is authorized to apply for an allocation of
- 9 tax-exempt bond financing authorization provided by Section
- 11143 of the Federal Safe, Accountable, Flexible, Efficient 10
- 11 Transportation Equity Act: A Legacy for Users (SAFETEA-LU),
- Public Law 109-59, as well as financing available under any 12
- 13 other federal law or program.
- Section 915. The Illinois Procurement Code is amended by 14
- 15 changing Section 1-10 as follows:
- 16 (30 ILCS 500/1-10)
- Sec. 1-10. Application. 17
- 18 This Code applies only to procurements for which
- 19 contractors were first solicited on or after July 1, 1998. This
- 20 Code shall not be construed to affect or impair any contract,
- 21 or any provision of a contract, entered into based on a
- 22 solicitation prior to the implementation date of this Code as

Code and its intent.

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- 1 described in Article 99, including but not limited to any covenant entered into with respect to any revenue bonds or 2 3 similar instruments. All procurements for which contracts are 4 solicited between the effective date of Articles 50 and 99 and 5 July 1, 1998 shall be substantially in accordance with this
  - (b) This Code shall apply regardless of the source of the funds with which the contracts are paid, including federal assistance moneys. This Code shall not apply to:
    - (1) Contracts between the State and its political subdivisions or other governments, or between State governmental bodies except as specifically provided in this Code.
    - (2) Grants, except for the filing requirements of Section 20-80.
      - (3) Purchase of care.
    - (4) Hiring of an individual as employee and not as an independent contractor, whether pursuant to an employment code or policy or by contract directly with that individual.
      - (5) Collective bargaining contracts.
    - (6) Purchase of real estate, except that notice of this type of contract with a value of more than \$25,000 must be published in the Procurement Bulletin within 7 days after the deed is recorded in the county of jurisdiction. The notice shall identify the real estate purchased, the names

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1 of all parties to the contract, the value of the contract, and the effective date of the contract. 2

- (7) Contracts necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that the chief legal counsel to the Governor shall give his or her prior approval when the procuring agency is one subject to the jurisdiction of the Governor, and provided that the chief legal counsel of any other procuring entity subject to this Code shall give his or her prior approval when the procuring entity is not one subject to the jurisdiction of the Governor.
- (8) Contracts for services to Northern Illinois person, acting as an independent University by a contractor, who is qualified by education, experience, and technical ability and is selected by negotiation for the purpose of providing non-credit educational activities or products by means of specialized programs offered by the university.
- (9) Procurement expenditures bv the Illinois Conservation Foundation when only private funds are used.
- (10) Public-private agreements entered into according to the procurement requirements of Section 20 of the Public-Private Partnerships for Transportation Act.
- This Code does not apply to the electric power procurement process provided for under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public

- 1 Utilities Act.
- 2 (Source: P.A. 95-481, eff. 8-28-07; 95-615, eff. 9-11-07;
- 95-876, eff. 8-21-08.) 3
- 4 Section 920. The Public Construction Bond Act is amended by
- 5 adding Section 1.5 as follows:
- 6 (30 ILCS 550/1.5 new)
- 7 Sec. 1.5. Public-private agreements. This Act applies to
- 8 any public-private agreement entered into under the
- 9 Public-Private Partnerships for Transportation Act or Article
- II-A of the Regional Transportation Authority Act. 10
- Section 925. The Public Works Preference Act is amended by 11
- 12 adding Section 4.5 as follows:
- (30 ILCS 560/4.5 new)13
- Sec. 4.5. Public-private agreements. This Act applies to 14
- 15 any public-private agreement entered into under the
- 16 Public-Private Partnerships for Transportation Act or Article
- 17 II-A of the Regional Transportation Authority Act.
- Section 930. The Employment of Illinois Workers on Public 18
- Works Act is amended by adding Section 2.5 as follows: 19
- 20 (30 ILCS 570/2.5 new)

- 1 Sec. 2.5. Public-private agreements. This Act applies to
- 2 any public-private agreement entered into under the
- 3 Public-Private Partnerships for Transportation Act or Article
- 4 II-A of the Regional Transportation Authority Act.
- 5 Section 935. The Business Enterprise for Minorities,
- 6 Females, and Persons with Disabilities Act is amended by adding
- Section 2.5 as follows: 7
- 8 (30 ILCS 575/2.5 new)
- 9 Sec. 2.5. Public-private agreements. This Act applies to
- any public-private agreement entered into under the 10
- 11 Public-Private Partnerships for Transportation Act.
- 12 Section 940. The Retailers' Occupation Tax Act is amended
- 13 by adding Section 1g as follows:
- 14 (35 ILCS 120/1q new)
- Sec. 1q. Building materials exemption; public-private 15
- 16 partnership transportation projects.
- 17 (a) Each retailer that makes a qualified sale of building
- 18 materials to be incorporated into a "project" as defined in the
- 19 Public-Private Partnerships for Transportation Act or Article
- 20 II-A of the Regional Transportation Authority Act, by
- 21 remodeling, rehabilitating, or new construction, may deduct
- 22 receipts from those sales when calculating the tax imposed by

1	this Act.
2	(b) As used in this Section, "qualified sale" means a sale
3	of building materials that will be incorporated into a project
4	for which a Certificate of Eligibility for Sales Tax Exemption
5	has been issued by the agency having authority over the
6	project.
7	(c) To document the exemption allowed under this Section,
8	the retailer must obtain from the purchaser a copy of the
9	Certificate of Eligibility for Sales Tax Exemption issued by
10	the agency having jurisdiction over the project into which the
11	building materials will be incorporated is located. The
12	Certificate of Eligibility for Sales Tax Exemption must contain
13	all of the following:
14	(1) a statement that the project identified in the
15	Certificate meets all the requirements of the agency having
16	authority over the project;
17	(2) the location or address of the project; and
18	(3) the signature of the director of the agency with
19	authority over the project or the director's delegate.
20	(d) In addition to meeting the requirements of subsection
21	(c), the retailer must obtain a certificate from the purchaser
22	that contains all of the following:
23	(1) a statement that the building materials are being
24	purchased for incorporation into a project in accordance
25	with the Public-Private Partnerships for Transportation
26	Act;

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1	(2) the location or address of the project into which
2	the building materials will be incorporated;
3	(3) the name of the project;
4	(4) a description of the building materials being
5	<pre>purchased; and</pre>
6	(5) the purchaser's signature and date of purchase.
7	(e) This Section is exempt from Section 2-70 of this Act.
8	Section 945. The Property Tax Code is amended by changing
9	Sections 15-55 and 15-100 as follows:
10	(35 ILCS 200/15-55)
11	Sec. 15-55. State property.
12	(a) All property belonging to the State of Illinois is
13	exempt. However, the State agency holding title shall file the
14	certificate of ownership and use required by Section 15-10,
15	together with a copy of any written lease or agreement, in
16	effect on March 30 of the assessment year, concerning parcels
17	of 1 acre or more, or an explanation of the terms of any oral
18	agreement under which the property is leased, subleased or
19	rented.
20	The leased property shall be assessed to the lessee and the
21	taxes thereon extended and billed to the lessee, and collected
22	in the same manner as for property which is not exempt. The

lessee shall be liable for the taxes and no lien shall attach

to the property of the State.

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For the purposes of this Section, the word "leases" includes licenses, franchises, operating agreements and other arrangements under which private individuals, associations or corporations are granted the right to use property of the Illinois State Toll Highway Authority and includes all property of the Authority used by others without regard to the size of the leased parcel.

- (b) However, all property of every kind belonging to the State of Illinois, which is or may hereafter be leased to the Illinois Prairie Path Corporation, shall be exempt from all assessments, taxation or collection, despite the making of any such lease, if it is used for:
  - conservation, nature trail or any charitable, scientific, educational or recreational purposes with public benefit, including the preserving and aiding in the preservation of natural areas, objects, flora, fauna or biotic communities;
  - (2) the establishment of footpaths, trails and other protected areas;
  - (3) the conservation of the proper use of natural resources or the promotion of the study of plant and animal communities and of other phases of ecology, natural history and conservation;
  - (4) the promotion of education in the fields of nature, preservation and conservation; or
    - (5) similar public recreational activities conducted

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1 by the Illinois Prairie Path Corporation.

No lien shall attach to the property of the State. No tax 2 liability shall become the obligation of or be enforceable 3 4 against Illinois Prairie Path Corporation.

(c) If the State sells the James R. Thompson Center or the Elgin Mental Health Center and surrounding land located at 750 S. State Street, Elgin, Illinois, as provided in subdivision (a)(2) of Section 7.4 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State shall remain exempt under this Section. For the property to remain exempt under this subsection (c), the State must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the State.

If the property has been conveyed as described in this subsection (c), the property is no longer exempt pursuant to this Section as of the date when:

- (1) the right of the State to use, control, and possess the property has been terminated; or
- (2) the State no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the State within the limitations period for reverters.

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Pursuant to Sections 15-15 and 15-20 of this Code, the State shall notify the chief county assessment officer of any transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(c-1) If the Illinois State Toll Highway Authority sells Illinois State Toll Highway Authority headquarters building and surrounding land, located at 2700 Ogden Avenue, Downers Grove, Illinois as provided in subdivision (a) (2) of Section 7.5 of the State Property Control Act, to another entity whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the State or the Illinois State Toll Highway Authority a right to use, control, and possess the property, that portion of the property leased and occupied exclusively by the State or the Authority shall remain exempt under this Section. For the property to remain exempt under subsection (c), the Authority must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the Authority.

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If the property has been conveyed as described in this subsection (c), the property is no longer exempt pursuant to this Section as of the date when:

- (1) the right of the State or the Authority to use, control, and possess the property has been terminated; or
- (2) the Authority no longer has an option to purchase or otherwise acquire the property and there is no provision for a reverter of the property to the Authority within the limitations period for reverters.

Pursuant to Sections 15-15 and 15-20 of this Code, the Authority shall notify the chief county assessment officer of any transaction under this subsection (c). The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this subsection (c) or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.

(d) The fair market rent of each parcel of real property in Will County owned by the State of Illinois for the purpose of developing an airport by the Department of Transportation shall include the assessed value of leasehold tax. The lessee of each parcel of real property in Will County owned by the State of Illinois for the purpose of developing an airport by the

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1 Department of Transportation shall not be liable for the taxes 2 thereon. In order for the State to compensate taxing districts 3 for the leasehold tax under this paragraph the Will County 4 Supervisor of Assessments shall certify, in writing, to the 5 Department of Transportation, the amount of leasehold taxes 6 extended for the 2002 property tax year for each such exempt parcel. The Department of Transportation shall pay to the Will 7 8 County Treasurer, from the Tax Recovery Fund, on or before July 9 1 of each year, the amount of leasehold taxes for each such 10 exempt parcel as certified by the Will County Supervisor of 11 Assessments. The tax compensation shall terminate on December 31, 2010. It is the duty of the Department of Transportation to 12 13 file with the Office of the Will County Supervisor of 14 Assessments an affidavit stating the termination date for 15 rental of each such parcel due to airport construction. The 16 affidavit shall include the property identification number for 17 each such parcel. In no instance shall tax compensation for 18 property owned by the State be deemed delinquent or bear 19 interest. In no instance shall a lien attach to the property of 20 the State. In no instance shall the State be required to pay 21 leasehold tax compensation in excess of the Tax Recovery Fund's 22 balance.

- (e) Public Act 81-1026 applies to all leases or agreements entered into or renewed on or after September 24, 1979.
- 25 (f) Notwithstanding anything to the contrary in this 26 Section, all property owned by the State or the Illinois State

- 1 Toll Highway Authority that is defined as a transportation
- 2 project under the Public-Private Partnerships for
- 3 Transportation Act and that is used for transportation purposes
- 4 and that is leased for those purposes to another entity whose
- 5 property is not exempt shall remain exempt, and any leasehold
- 6 interest in the property shall not be subject to taxation under
- 7 Section 9-195 of this Act.
- 8 (Source: P.A. 95-331, eff. 8-21-07.)
- 9 (35 ILCS 200/15-100)
- 10 Sec. 15-100. Public transportation systems.
- 11 (a) All property belonging to any municipal corporation
- 12 created for the sole purpose of owning and operating a
- transportation system for public service is exempt.
- 14 (b) Property owned by (i) a municipal corporation of
- 15 500,000 or more inhabitants, used for public transportation
- purposes, and operated by the Chicago Transit Authority; (ii)
- 17 the Regional Transportation Authority; (iii) any service board
- 18 or division of the Regional Transportation Authority; (iv) the
- 19 Northeast Illinois Regional Commuter Railroad Corporation; or
- 20 (v) the Chicago Transit Authority shall be exempt. For purposes
- of this Section alone, the Regional Transportation Authority,
- 22 any service board or division of the Regional Transportation
- 23 Authority, the Northeast Illinois Regional Commuter Railroad
- 24 Corporation, the Chicago Transit Authority, or a municipal
- corporation, as defined in item (i), shall be deemed an

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1 "eligible transportation authority".

> The exemption provided in this subsection shall not be affected by any transaction in which: 7

- (1) for the purpose of obtaining financing, eligible transportation authority, directly or indirectly, leases or otherwise transfers such property to another whose property is not exempt and immediately thereafter enters into a leaseback or other agreement that directly or indirectly gives the eligible transportation authority a right to use, control, and possess the property; or
- (2) the eligible transportation authority leases, to another entity whose property is not exempt, property that <u>is defined as a mass transportation</u> project under Article II-A of the Regional Transportation Authority Act and used for transportation purposes.

In the case of a conveyance of such property, the eligible transportation authority must retain an option to purchase the property at a future date or, within the limitations period for reverters, the property must revert back to the eligible transportation authority.

- (c) If such property has been conveyed as described in paragraph (1) of subsection (b), the property will no longer be exempt pursuant to this Section as of the date when:
- (1) the right of the eligible transportation authority to use, control, and possess the property has been terminated;

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- 1 (2) the eligible transportation authority no longer has an option to purchase or otherwise acquire the 2 3 property; and
  - (3) there is no provision for a reverter of property to the eligible transportation authority within the limitations period for reverters.
  - (d) Pursuant to Sections 15-15 and 15-20 of this Code, the eligible transportation authority shall notify the chief county assessment officer of any transaction under subsection (b) of this Section. The chief county assessment officer shall determine initial and continuing compliance with the requirements of this Section for tax exemption. Failure to notify the chief county assessment officer of a transaction under this Section or to otherwise comply with the requirements of Sections 15-15 and 15-20 of this Code shall, in the discretion of the chief county assessment officer, constitute cause to terminate the exemption, notwithstanding any other provision of this Code.
  - (e) No provision of this Section shall be construed to affect the obligation of the eligible transportation authority to which an exemption certificate has been issued under this Section from its obligation under Section 15-10 of this Code to file an annual certificate of status or to notify the chief county assessment officer of transfers of interest or other changes in the status of the property as required by this Code.
    - (f) The changes made by this amendatory Act of 1997 are

- 1 declarative of existing law and shall not be construed as a new
- 2 enactment.
- (Source: P.A. 90-562, eff. 12-16-97.) 3
- 4 Section 950. The Regional Transportation Authority Act is
- 5 amended by adding Article II-A and by adding Sections 2A.01,
- 2A.05, 2A.10, 2A.15, 2A.20, 2A.25, 2A.30, 2A.35, 2A.40, 2A.45, 6
- 7 2A.50, and 2A.55 as follows:
- 8 (70 ILCS 3615/Art. II-A heading new)
- 9 ARTICLE II-A. PUBLIC-PRIVATE PARTNERSHIPS.
- 10 (70 ILCS 3615/2A.01 new)
- 11 Sec. 2A.01. Definitions. As used in this Article:
- 12 "Contractor" means a private entity that has entered into a
- public-private agreement with the Authority or a Service Board 13
- to provide services to or on behalf of the Authority or the 14
- 15 Service Board.
- 16 "Develop" or "development" means to do one or more of the
- 17 following: plan, design, develop, lease, acquire, install,
- 18 construct, reconstruct, rehabilitate, extend, or expand.
- 19 "Maintain" or "maintenance" includes ordinary maintenance,
- repair, rehabilitation, capital maintenance, maintenance 20
- 21 replacement, and any other categories of maintenance that may
- 22 be designated by the Authority or a Service Board.
- 23 "Mass transportation project" or "project" means all or any

Service Board.

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- 1 portion of a project undertaken under this Article with respect to any new or existing mass transit facility, public 2 transportation facility, or other transportation facility or 3 4 infrastructure under the jurisdiction of the Authority or a
- 6 "Offeror" means a private entity that has submitted a proposal for a public-private agreement under this Article. 7
  - "Private entity" means any combination of one or more individuals, corporations, general partnerships, limited <u>liability companies, limited partners</u>hips, joint ventures, business trusts, nonprofit entities, or other business entities that are parties to a proposal for a mass transportation project or an agreement related to a mass transportation project. A public agency may provide services to a contractor as a subcontractor or subconsultant without affecting the private status of the private entity and the ability to enter into a public-private agreement.
    - "Public-private agreement" means the public-private agreement between the contractor and the Authority or a Service Board relating to one or more of the development, financing, or operation of a mass transportation project that is entered into under this Article.
    - "Request for proposals" means all materials and documents prepared by or on behalf of the Authority or a Service Board to solicit proposals from offerors to enter into a public-private agreement.

1 "Request for qualifications" means all materials and documents prepared by or on behalf of the Authority or a 2 Service Board to solicit qualification submittals from 3 4 offerors to enter into a public-private agreement. 5 "Revenues" means all revenues, including any combination 6 of: income; earnings and interest; user fees; lease payments; allocations; federal, State, and local appropriations, grants, 7 loans, lines of credit, and credit quarantees; bond proceeds; 8 9 equity investments; service payments; or other receipts; 10 arising out of or in connection with a transportation project, 11 including the development, financing, and operation of a transportation project. The term includes money received as 12 grants, loans, lines of credit, credit guarantees, or otherwise 13 14 in aid of a mass transportation project from the federal 15 government, the State, a unit of local government, or any 16 agency or instrumentality of the federal government, the State, 17 or a unit of local government. 18

- "User fees" means the rates, fees, or other charges imposed by the contractor for use of all or a portion of a mass transportation project under a public-private agreement.
- 21 (70 ILCS 3615/2A.05 new)

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- Sec. 2A.05. Formation of public-private agreements; 22 23 project planning.
- 24 (a) The Authority and the Service Boards may exercise the 25 powers granted by this Article to do some or all of develop,

finance, and operate any part of one or more mass
transportation projects through public-private agreements with
one or more private entities. The Authority and each of the
Service Boards may use the revenues arising out of one mass
transportation project or public-private agreement and use
them for some or all of developing, financing, and operating
any part of one or more additional or other mass transportation
projects through public-private agreements with one or more
private entities or as otherwise deemed appropriate by the
Authority or the Service Board.
(b) A contractor has:
(1) all powers allowed by law generally to a private
entity having the same form of organization as the
contractor; and
(2) the power to develop, finance, and operate the mass
transportation project and impose user fees in connection
with the use of the mass transportation project, subject to
the terms of the public-private agreement.
No user fees may be imposed by the contractor except as set
<pre>forth in a public-private agreement.</pre>
(c) Each year, at least 30 days prior to the beginning of
the Authority's and each Service Board's fiscal year, the
Authority and each Service Board shall submit a description of

potential projects that the Authority and each Service Board is

(1) the General Assembly, with respect to all such

considering undertaking under this Article to:

1	projects;
2	(2) each county, municipality, and metropolitan
3	planning organization, with respect to each project
4	<pre>located within its boundaries; and</pre>
5	(3) the Authority, with respect to each project that
6	each Service Board is considering undertaking.
7	(d) Any project undertaken under this Article shall be
8	subject to all applicable planning requirements otherwise
9	required by law, including land use planning, regional
10	planning, transportation planning, and environmental
11	compliance requirements.
12	(e) Any new transportation facility developed as a project
13	under this Article must be consistent with the metropolitan
14	planning organization's regional plan then in existence with
15	respect to each project located within a metropolitan planning
16	organization's boundaries.
10	organization s boundaries.
1 7	/70 TIGG 2615/27 10 mass)
17	(70 ILCS 3615/2A.10 new)
18	Sec. 2A.10. Procurement process.
19	(a) The Authority and each of the Service Boards may
20	request proposals from private entities for some or all of the
21	development, financing, and operation of one or more mass
22	transportation projects.
23	(b) The Authority and each of the Service Boards may pursue
24	a competitive proposal process using a request for

qualifications and a request for proposals process or proceed

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directly to a request for proposals.

- (c) If the Authority or the Service Board elects to utilize a request for qualifications phase, it shall provide a public notice of the request for qualifications for such period as deemed appropriate or warranted by the Authority or the Service Board and shall set forth requirements and evaluation criteria in the request for qualifications. Upon receipt of qualifications, the Authority or the Service Board shall choose which parties that have submitted qualifications, if any, meet the requirements and evaluation criteria in the request for qualifications and shall issue requests for proposals only to those parties.
- (d) If the Authority or the Service Board has not issued a request for qualification under this Section and intends to use only a request for proposals procurement, the Authority or the Service Board shall provide a public notice of the request for proposals for a period deemed appropriate or warranted by the Authority or the Service Board.
- (e) A request for proposals shall:
- (1) indicate in general terms the scope of work, goods, and services sought to be procured;
- 22 (2) contain or incorporate by reference the specifications and contractual terms and conditions 23 24 applicable to the procurement and the mass transportation 25 project;
- 26 (3) specify the factors, criteria, and other

1	information that will be used in evaluating the proposals;
2	(4) contain or incorporate by reference the other
3	applicable contractual terms and conditions; and
4	(5) contain or incorporate by reference any other
5	provisions, materials, or documents the Authority or the
6	Service Board deems appropriate.
7	(f) The Authority or the Service Board shall determine the
8	evaluation criteria that are most appropriate for each mass
9	transportation project and shall set forth those criteria in
10	the request for proposals. The Authority or the Service Board
11	may use (i) a selection process that results in selection of
12	the proposal offering the best value to the public, (ii) a
13	selection process that results in selection of the proposal
14	offering the lowest price or cost or the highest payment to, or
15	revenue sharing with, the Authority or the Service Board, (iii)
16	a selection process that results in the imposition of the
17	lowest amount of user fees, or (iv) any other selection process
18	that the Authority or the Service Board determines is in the
19	best interests of the public.
20	(g) After the procedures required in this Article have been
21	completed, the Authority or the Service Board shall make a
22	determination as to whether the successful offeror should be
23	designated as the contractor for the mass transportation
24	project.
25	(h) After designating the successful offeror as the

contractor for the project, the Authority or the Service Board

Τ	shall execute the public-private agreement and publish notice
2	of the execution of the public-private agreement.
3	(i) Any action to contest the validity of a public-private
4	agreement entered into under this Article must be brought no
5	later than 30 days after the date of publication of the notice
6	of execution of the public-private agreement.
7	(j) In addition to any other rights under this Article, in
8	connection with any procurement under this Article, the
9	following rights are reserved to the Authority and each of the
10	Service Boards:
11	(1) to withdraw a request for qualifications or a
12	request for proposals at any time. The Authority or the
13	Service Board may then publish a new request for
14	qualifications or request for proposals;
15	(2) to not award a public-private agreement for any
16	<u>reason;</u>
17	(3) to request clarifications to any qualification
18	submittal or request for proposals or seek one or more
19	revised proposals or one or more best and final offers or
20	conduct negotiations with one or more offerors;
21	(4) to modify, during the pendency of a procurement,
22	the terms, provisions, and conditions of a request for
23	qualification or request for proposals or the technical
24	specifications or form of a public-private agreement;
25	(5) to interview offerors; and
26	(6) any other rights available to the Authority or the

Service Board under applicable law and regulations	1	Service	Board	under	applicable	law	and	regu	lations
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2 (70 ILCS 3615/2A.15 new)

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- 3 Sec. 2A.15. Public-private agreements.
  - (a) Before developing, financing, or operating the mass transportation project, the contractor shall enter into a public-private agreement with the Authority or the Service Board. Subject to the other provisions of this Article, the Authority or the Service Board and a private entity may enter into a public-private agreement with respect to a project. Subject to the requirements of this Article, a public-private agreement may provide that the private entity, acting on behalf of the Authority or the Service Board, is partially or entirely responsible for any combination of developing, financing, or operating the mass transportation project under terms set forth in the public-private agreement.
    - (b) The public-private agreement may, as determined appropriate by the Authority or the Service Board for the particular mass transportation project, provide for some or all of the following:
      - (1) Construction of the mass transportation project under terms set forth in the public-private agreement, which may include design-build construction.
        - (2) Delivery of performance and payment bonds or other performance security determined suitable by the Authority or the Service Board, including letters of credit, United

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States bonds and notes, parent quaranties, and cash collateral, in connection with the development, financing, or operation of the mass transportation project, in the forms and amounts set forth in the public-private agreement or otherwise determined as satisfactory by the Authority or the Service Board, to protect the Authority or the Service Board and payment bond beneficiaries who have a direct contractual relationship with the contractor or a subcontractor of the contractor to supply labor or material. The payment or performance bond or alternative form of performance security is not required for the portion of a public-private agreement that includes only design, planning or financing services, the performance of preliminary studies, or the acquisition of real property.

- (3) Review of plans for any development or operation, or both, of the mass transportation project by the Authority or the Service Board.
- (4) Inspection of any construction of or improvements to the mass transportation project by the Authority or the Service Board or another entity designated by the Authority or the Service Board or under the public-private agreement to ensure that the construction or improvements conform to the standards set forth in the public-private agreement or are otherwise acceptable to the Authority or the Service Board.
  - (5) Maintenance of:

1	(A) one or more policies of public liability
2	insurance (copies of which shall be filed with the
3	Authority or the Service Board accompanied by proofs of
4	<pre>coverage); or</pre>
5	(B) self-insurance;
6	each in form and amount as set forth in the public-private
7	agreement or otherwise satisfactory to the Authority or the
8	Service Board as reasonably sufficient to insure coverage
9	of tort liability to the public and employees and to enable
10	the continued operation of the mass transportation
11	project.
12	(6) Where operations are included within the
13	contractor's obligations under the public-private
14	agreement, monitoring of the maintenance practices of the
15	contractor by the Authority or the Service Board or another
16	entity designated by the Authority or the Service Board or
17	under the public-private agreement and the taking of the
18	actions the Authority or the Service Board finds
19	appropriate to ensure that the mass transportation project
20	is properly maintained.
21	(7) Reimbursement to be paid to the Authority or the
22	Service Board as set forth in the public-private agreement
23	for services provided by the Authority or the Service
24	Board.
25	(8) Filing of appropriate financial statements and
26	reports as set forth in the public-private agreement or as

1	otherwise in a form acceptable to the Authority or the
2	Service Board on a periodic basis.
3	(9) Compensation or payments to the contractor.
4	Compensation or payments may include any or a combination
5	of the following:
6	(A) a base fee and additional fee for project
7	savings as the design-builder of a construction
8	project;
9	(B) a development fee, payable on a lump sum basis,
10	progress payment basis, time and materials basis, or
11	another basis deemed appropriate by the Authority or
12	the Service Board;
13	(C) an operations fee, payable on a lump-sum basis,
14	time and material basis, periodic basis, or another
15	basis deemed appropriate by the Authority or the
16	Service Board;
17	(D) some or all of the revenues, if any, arising
18	out of operation of the mass transportation project;
19	(E) a maximum rate of return on investment or
20	return on equity or a combination of the 2;
21	(F) in-kind services, materials, property,
22	equipment, or other items;
23	(G) compensation in the event of any termination;
24	<u>or</u>
25	(H) other compensation set forth in the
26	public-private agreement or otherwise deemed

1	appropriate by the Authority or the Service Board.
2	(10) Compensation or payments to the Authority or the
3	Service Board, if any. Compensation or payments may include
4	any or a combination of the following:
5	(A) a concession or lease payment or other fee,
6	which may be payable upfront or on a periodic basis or
7	on another basis deemed appropriate by the Authority or
8	the Service Board;
9	(B) sharing of revenues, if any, from the operation
10	of the mass transportation project;
11	(C) sharing of project savings from the
12	construction of the mass transportation project;
13	(D) payment for any services, materials,
14	equipment, personnel, or other items provided by the
15	Authority or the Service Board to the contractor under
16	the public-private agreement or in connection with the
17	mass transportation project; or
18	(E) other compensation set forth in the
19	public-private agreement or otherwise deemed
20	appropriate by the Authority or the Service Board.
21	(11) The date and terms of termination of the
22	contractor's authority and duties under the public-private
23	agreement and the circumstances under which the
24	contractor's authority and duties may be terminated prior
25	to that date.
26	(12) Reversion of the mass transportation project to

1	the Authority or the Service Board at the termination or
2	expiration of the public-private agreement.
3	(13) Rights and remedies of the Authority or the
4	Service Board in the event that the contractor defaults or
5	otherwise fails to comply with the terms of the
6	<pre>public-private agreement.</pre>
7	(14) Other terms, conditions, and provisions that the
8	Authority or the Service Board believes are in the public
9	interest.
10	(c) The Authority and each Service Board may fix and revise
11	the amounts of user fees that a contractor may charge and
12	collect for the use of any part of a mass transportation
13	project in accordance with the public-private agreement. In
14	fixing the amounts, the Authority and the Service Board may
15	establish maximum amounts for the user fees and may provide
16	that the maximums and any increases or decreases of those
17	maximums shall be based upon the indices, methodologies, or
18	other factors the Authority or the Service Board considers
19	appropriate.
20	(d) A public-private agreement may:
21	(1) authorize user fees in any manner determined
22	appropriate by the Authority or the Service Board for the
23	mass transportation project;
24	(2) authorize the contractor to adjust the user fees
25	for the use of the mass transportation project, so long as
26	the amounts charged and collected by the contractor do not

1	exceed the maximum amounts established by the Authority or
2	the Service Board under this Article;
3	(3) provide that any adjustment by the contractor
4	permitted under paragraph (2) of this subsection (d) may be
5	based on the indices, methodologies, or other factors
6	described in the public-private agreement or approved by
7	the Authority or the Service Board;
8	(4) authorize the contractor to charge and collect user
9	fees through methods determined appropriate by the
10	Authority or the Service Board for the mass transportation
11	<pre>project; and</pre>
12	(5) authorize the collection of user fees by a third
13	party.
14	(e) In the public-private agreement, the Authority or the
15	Service Board may agree to make grants or loans for the
16	development or operation, or both, of the mass transportation
17	project from time to time from amounts received from the
18	federal government or any agency or instrumentality of the
19	federal government or from any State or local agency.
20	(f) Upon the termination or expiration of the
21	public-private agreement, including a termination for default,
22	the Authority or the Service Board shall have the right to take
23	over the mass transportation project and to succeed to all of
24	the right, title, and interest in the mass transportation
25	project, subject to any liens on revenues previously granted by

the contractor to any person providing financing for the mass

1	transportation project.
2	(g) If the Authority or a Service Board elects to take over
3	a mass transportation project as provided in subsection (f),
4	the Authority or the Service Board may do the following:
5	(1) develop, finance, or operate the project; or
6	(2) impose, collect, retain, and use user fees, if any,
7	for the project.
8	(h) If a transportation agency elects to take over a mass
9	transportation project as provided in subsection (f), the
10	Authority or the Service Board may use the revenues, if any,
11	for any lawful purpose, including to:
12	(1) make payments to individuals or entities in
13	connection with any financing of the mass transportation
14	project;
15	(2) pay development costs of the project;
16	(3) pay current operation costs of the project or
17	<pre>facilities;</pre>
18	(4) pay the contractor for any compensation or payment
19	owing upon termination; and
20	(5) pay for the development, financing, or operation of
21	any other project or projects the Authority or the Service
22	Board deems appropriate.
23	(i) The full faith and credit of the State, any political
24	subdivision of the State, the Authority, or any of the Service
25	Boards is not pledged to secure any financing of the contractor
26	by the election to take over the mass transportation project.

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- transportation project does not obligate the State, any
- political subdivision of the State, the Authority, or any of 3
- 4 the Service Boards to pay any obligation of the contractor.
- 5 (j) Notwithstanding any other provision of this Article,
- the Authority or a Service Board may enter into a 6
- 7 public-private agreement with multiple private entities if the
- 8 Authority or the Service Board determines in writing that it is
- 9 in the public interest to do so.
- 10 (70 ILCS 3615/2A.20 new)
- Sec. 2A.20. Development and operations standards for mass 11
- 12 transportation projects.
- 13 (a) The plans and specifications, if any, for each project
- 14 developed under this Article must comply with:
- (1) the Authority's or the Service Board's standards 15
- for other projects of a similar nature or as otherwise 16
- 17 provided in the public-private agreement; and
- 18 (2) any other applicable State or federal standards.
- 19 (b) Any local or State agency may enter into agreements
- 20 with the contractor for maintenance or other services under
- 21 this Article.
- 22 (70 ILCS 3615/2A.25 new)
- 2.3 Sec. 2A.25. Financial arrangements.
- 24 (a) The Authority and each Service Board may do any

- 1 combination of applying for, executing, or endorsing
- applications submitted by private entities to obtain federal, 2
- State, or local credit assistance for mass transportation 3
- 4 projects developed, financed, or operated under this Article,
- 5 including loans, lines of credit, and guarantees.
- 6 (b) The Authority and each Service Board may take any
- action to obtain federal, State, or local assistance for a mass 7
- transportation project that serves the public purpose of this 8
- 9 Article and may enter into any contracts required to receive
- 10 the federal assistance. The Authority and each Service Board
- 11 may determine that it serves the public purpose of this Article
- for all or any portion of the costs of a mass transportation 12
- 13 project to be paid, directly or indirectly, from the proceeds
- 14 of a grant, loan, line of credit, or loan guarantee made by a
- 15 local, State, or federal government or any agency or
- instrumentality of a local, State, or federal government. 16
- (c) The Authority and each Service Board may agree to make 17
- grants or loans for the development, financing, or operation of 18
- 19 a mass transportation project from time to time from amounts
- 20 received from the federal, State, or local government or any
- agency or instrumentality of the federal, State, or local 21
- 22 government.
- (d) Any financing of a mass transportation project may be 23
- 24 in the amounts and upon the terms and conditions that are
- 25 determined by the parties to the public-private agreement.
- 26 (e) For the purpose of financing a mass transportation

Τ.	project, the contractor, the Authority, and each service board
2	may do the following:
3	(1) propose to use any and all revenues that may be
4	available to them;
5	(2) enter into grant agreements;
6	(3) access any other funds available to the Authority
7	or the Service Board; and
8	(4) accept grants from the Authority or the Service
9	Board or another public or private agency or entity.
10	(f) For the purpose of financing a mass transportation
11	project, public funds may be used and mixed and aggregated with
12	funds provided by or on behalf of the contractor or other
13	private entities.
14	(g) For the purpose of financing a mass transportation
15	project, the Authority and each Service Board shall be
16	authorized to apply for, obtain, issue, and use private
17	activity bonds available under any federal law or program, as
18	well as financing available under any other federal law or
19	program.
20	(h) Any bonds, debt, or other securities or other financing
21	issued for the purposes of this Article shall not be deemed to
22	constitute a debt of the State or any political subdivision of
23	the State or a pledge of the faith and credit of the State or
24	any political subdivision of the State.

- 1 Sec. 2A.30. Acquisition of property.
- 2 (a) The Authority and each Service Board may exercise any
- 3 power of condemnation that it has under law for the purpose of
- 4 acquiring any lands or estates or interests in land for a mass
- 5 transportation project, to the extent provided in the
- public-private agreement or otherwise to the extent that the 6
- 7 Authority or the Service Board finds that the action serves the
- 8 public purpose of this Article.
- 9 (b) The Authority and each Service Board and a contractor
- 10 may enter into the leases, licenses, easements, and other
- grants of property interests that the Authority and each 11
- Service Board determines necessary to carry out this Article. 12
- (70 ILCS 3615/2A.35 new) 13
- 14 Sec. 2A.35. Labor; law enforcement.
- 15 (a) A public-private agreement related to a mass
- transportation project pertaining to an existing 16
- transportation facility shall require the contractor to assume 17
- 18 all existing collective bargaining agreement obligations
- 19 related to employees of the Authority or Service Board employed
- 20 in relation to that facility.
- 21 (b) A public-private agreement related to a mass
- 22 transportation project pertaining to a new transportation
- 23 facility shall require the contractor to enter into a project
- 24 labor agreement that must include provisions establishing the
- 25 minimum hourly wage, benefits, and other compensation for each

- 1 class of labor organization employee and such other terms as
- 2 are negotiated between the contractor and the labor
- 3 organizations.
- 4 (c) All law enforcement officers of the State and of each
- 5 affected local jurisdiction have the same powers and
- jurisdiction within the limits of the mass transportation 6
- 7 project as they have in their respective areas of jurisdiction.
- (d) Law enforcement officers shall have access to the mass 8
- 9 transportation project at any time for the purpose of
- 10 exercising the law enforcement officers' powers and
- jurisdiction. 11
- (e) Punishment for infractions and offenses shall be as 12
- 13 prescribed by law for conduct occurring on similar projects in
- 14 the jurisdiction.
- 15 (70 ILCS 3615/2A.40 new)
- Sec. 2A.40. Term of agreement; reversion of property to the 16
- 17 Authority or Service Board.
- 18 (a) The term of a public-private agreement, including all
- 19 extensions, may not exceed 99 years.
- 20 (b) The Authority or the Service Board shall terminate the
- 21 contractor's authority and duties under the public-private
- agreement on the date set forth in the public-private 22
- 23 agreement.
- 24 (c) Upon termination of the public-private agreement, the
- 25 authority and duties of the contractor under this Article

- 1 cease, except for those duties and obligations that extend
- beyond the termination, as set forth in the public-private 2
- 3 agreement, and the mass transportation project shall revert to
- 4 the Authority or the Service Board.
- 5 (70 ILCS 3615/2A.45 new)
- Sec. 2A.45. Additional powers of the Authority and the 6
- 7 Service Boards with respect to mass transportation projects.
- (a) The Authority and the Service Boards may exercise any 8
- 9 powers provided under this Article in participation or
- 10 cooperation with any governmental entity and enter into any
- contracts to facilitate that participation or cooperation 11
- 12 without compliance with any other statute.
- 13 (b) The Authority and the Service Boards may make and enter
- 14 into all contracts and agreements necessary or incidental to
- 15 the performance of the Authority's or the Service Board's
- duties and the execution of the Authority's or the Service 16
- Board's powers under this Article. Except as otherwise required 17
- 18 by law, these contracts or agreements are not subject to any
- 19 approvals other than the approval of the Authority or the
- 20 Service Board and may be for any term of years and contain any
- 21 terms that are considered reasonable by the Authority or the
- 22 Service Board.
- 23 (c) The Authority and the Service Boards may pay the costs
- 24 incurred under a public-private agreement entered into under
- 25 this Article from any funds available to the Authority or the

- 1 Service Boards under this Article or any other statute.
- 2 (d) A State agency may not take any action that would
- impair a public-private agreement entered into under this 3
- 4 Article.
- 5 (70 ILCS 3615/2A.50 new)
- Sec. 2A.50. Powers liberally construed. The powers 6
- conferred by this Article shall be liberally construed in order 7
- 8 to accomplish their purposes and shall be in addition and
- 9 supplemental to the powers conferred by any other law. If any
- other law or rule is inconsistent with this Article, this 10
- Article is controlling as to any public-private agreement 11
- 12 entered into under this Article.
- 13 (70 ILCS 3615/2A.55 new)
- 14 Sec. 2A.55. Full and complete authority. This Article
- contains full and complete authority for agreements and leases 15
- with private entities to carry out the activities described in 16
- 17 this Article. Except as otherwise required by law, no
- 18 procedure, proceedings, publications, notices, consents,
- approvals, orders, or acts by the Authority or the Service 19
- 20 Board or any other State or local agency or official are
- 21 required to enter into an agreement or lease.
- 22 Section 955. The Toll Highway Act is amended by adding
- 23 Section 11.1 as follows:

- (605 ILCS 10/11.1 new) 1
- 2 Sec. 11.1. Public-private partnerships. The Authority may
- 3 exercise all powers granted to it under the Public-Private
- Partnerships for Transportation Act. 4
- Section 960. The Prevailing Wage Act is amended by changing 5
- Section 2 as follows: 6
- 7 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)
- 8 Sec. 2. This Act applies to the wages of laborers,
- mechanics and other workers employed in any public works, as 9
- 10 hereinafter defined, by any public body and to anyone under
- 11 contracts for public works. This includes any maintenance,
- 12 repair, assembly, or disassembly work performed on equipment
- 13 whether owned, leased, or rented.
- As used in this Act, unless the context indicates 14
- 15 otherwise:
- "Public works" means all fixed works constructed by any 16
- 17 public body, other than work done directly by any public
- 18 utility company, whether or not done under public supervision
- or direction, or paid for wholly or in part out of public 19
- 20 funds. "Public works" as defined herein includes all projects
- 21 financed in whole or in part with bonds issued under the
- 22 Industrial Project Revenue Bond Act (Article 11, Division 74 of
- the Illinois Municipal Code), the Industrial Building Revenue 23

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Bond Act, the Illinois Finance Authority Act, the Illinois Sports Facilities Authority Act, or the Build Illinois Bond Act, and all projects financed in whole or in part with loans or other funds made available pursuant to the Build Illinois Act. "Public works" also includes (i) all projects financed in whole or in part with funds from the Fund for Illinois' Future under Section 6z-47 of the State Finance Act, funds for school construction under Section 5 of the General Obligation Bond funds authorized under Section 3 of t.he Construction Bond Act, funds for school infrastructure under Section 6z-45 of the State Finance Act, and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" also includes all projects financed in whole or in part with funds from the Department of Commerce and Economic Opportunity under the Illinois Renewable Fuels Development Program Act for which there is no project labor agreement and (ii) all projects undertaken under a public-private agreement under the Public-Private Partnerships for Transportation Act or Article II-A of the Regional Transportation Authority Act. "Public works" also includes all projects at leased facility property used for airport purposes under Section 35 of the Local Government Facility Lease Act. "Construction" means all work on public works involving laborers, workers or mechanics. This includes any maintenance,

repair, assembly, or disassembly work performed on equipment

whether owned, leased, or rented.

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"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility, reclamation improvement or other district and every other political subdivision, district or municipality of the state whether such political subdivision, municipality or district operates under a special charter or not.

The terms "general prevailing rate of hourly wages", "general prevailing rate of wages" or "prevailing rate of wages" when used in this Act mean the hourly cash wages plus fringe benefits for training and apprenticeship programs

- approved by the U.S. Department of Labor, Bureau of 1
- Apprenticeship and Training, health and welfare, insurance, 2
- 3 vacations and pensions paid generally, in the locality in which
- 4 the work is being performed, to employees engaged in work of a
- 5 similar character on public works.
- (Source: P.A. 94-750, eff. 5-9-06; 95-341, eff. 8-21-07.) 6
- 7 Section 999. Effective date. This Act takes effect upon
- 8 becoming law.".