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AN ACT concerning sanitary districts.

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

Section 5. The North Shore Sanitary District Act is
amended by changing Section 11 as follows:

6 (70 ILCS 2305/11) (from Ch. 42, par. 287)

Sec. 11. Except as otherwise provided in this Section, 7 8 all contracts for purchases or sales by the municipality, the expense of which will exceed the mandatory competitive bid 9 <u>threshold</u> $\$1\theta_7\theta\theta\theta_7$ shall be let to the lowest responsible 10 bidder therefor upon not less than 14 days' public notice of 11 12 the terms and conditions upon which the contract is to be 13 let, having been given by publication in a newspaper of general circulation published in the district, and the board 14 may reject any and all bids and readvertise. 15 In determining 16 the lowest responsible bidder, the board shall take into consideration the qualities and serviceability of 17 the 18 articles supplied, their conformity with specifications, their suitability to the requirements of the district, the 19 20 availability of support services, the uniqueness of the service, materials, equipment, or supplies as it applies to 21 22 network integrated computer systems, the compatibility of the service, materials, equipment or supplies with existing 23 equipment, and the delivery terms. Contracts for services 24 in excess of the mandatory competitive bid threshold \$10,000 25 26 may, subject to the provisions of this Section, be let by 27 competitive bidding at the discretion of the district board of trustees. All contracts for purchases or sales that will 28 not exceed the mandatory competitive bid threshold $\theta = \$10, 000$ 29 or-less may be made in the open market without publication in 30 31 a newspaper as above provided, but whenever practical shall

1 be based on at least 3 competitive bids. For purposes of 2 this Section, the "mandatory competitive bid threshold" is a dollar amount equal to 0.1% of the greater of: (1) the total 3 4 general fixed assets of the district as reported in the most recent required audit report or (2) the total insured 5 property value of the district as provided for in the 6 7 district's insurance policy in effect at the time of the bid solicitation. In no event, however, shall the mandatory 8 9 competitive bid threshold dollar amount be less than \$10,000, nor more than \$100,000. Cash, a cashier's check, a certified 10 11 check, or a bid bond with adequate surety approved by the board of trustees as a deposit of good faith, in a reasonable 12 13 amount, but not in excess of 10% of the contract amount, may be required of each bidder by the district on all bids 14 15 involving amounts in excess of the mandatory competitive bid threshold and, if so required, the advertisement for bids 16 17 shall so specify.

Contracts which by their nature are not adapted to award 18 19 by competitive bidding, including, without limitation, contracts for the services of individuals, groups or firms 20 21 possessing a high degree of professional skill where the ability or fitness of the individual or organization plays an 22 23 important part, contracts for financial management services Act relating to certain 24 undertaken pursuant to "An 25 investments of public funds by public agencies", approved July 23, 1943, as now or hereafter amended, contracts for the 26 purchase or sale of utilities, contracts for materials 27 economically procurable only from a single source of supply, 28 29 contracts for the use, purchase, delivery, movement, or 30 installation of data processing equipment, software, or services and telecommunications and interconnect equipment, 31 32 software, or services, contracts for duplicating machines and supplies, contracts for goods or services procured from 33 34 another governmental agency, purchases of equipment

-2-

previously owned by an entity other than the district itself, and leases of real property where the sanitary district is the lessee shall not be subject to the competitive bidding requirements of this Section.

5 The competitive bidding requirements of this Section do 6 not apply to contracts for construction of a facility or 7 structure for the district when the facility or structure 8 will be designed, built, and tested before being conveyed to 9 the district.

In the case of an emergency affecting the public health 10 11 or safety so declared by the Board of Trustees of the municipality at a meeting thereof duly convened, which 12 declaration shall require the affirmative vote of four of the 13 five Trustees elected, and shall set forth the nature of the 14 15 danger to the public health or safety, contracts totaling not 16 more than the emergency contract cap \$75,000 may be let to 17 the extent necessary to resolve such emergency without public advertisement or competitive bidding. For purposes of this 18 19 Section, the "emergency contract cap" is a dollar amount equal to 0.4% of the greater of: (1) the total general fixed 20 21 assets of the district as reported in the most recent 22 required audit report or (2) the total insured property value 23 of the district as provided for in the district's insurance policy in effect at the time of the bid solicitation. In no 24 event, however, shall the emergency contract cap dollar 25 amount be less than \$40,000, nor more than \$400,000. The 26 Resolution or Ordinance in which such declaration is embodied 27 shall fix the date upon which such emergency shall terminate 28 29 which date may be extended or abridged by the Board of 30 Trustees as in their judgment the circumstances require. A full written account of any such emergency, together with a 31 32 requisition for the materials, supplies, labor or equipment required therefor shall be submitted 33 immediately upon 34 completion and shall be open to public inspection for a

-3-

LRB9201390TAtm

period of at least one year subsequent to the date of such
 emergency purchase.

To address operating emergencies not affecting the public 3 4 health or safety, the Board of Trustees shall authorize, in 5 writing, officials or employees of the sanitary district to б purchase in the open market and without advertisement any supplies, materials, equipment, or services for immediate 7 8 delivery to meet the bona fide operating emergency, without 9 filing a requisition or estimate therefor, in an amount not in excess of \$40,000; provided that the Board of Trustees 10 11 must be notified of the operating emergency. A full, written 12 account of each operating emergency and a requisition for the materials, supplies, equipment, and services required to meet 13 the operating emergency must be immediately submitted by the 14 15 officials or employees authorized to make purchases to the 16 Board of Trustees. The account must be available for public inspection for a period of at least one year after the date 17 the operating emergency purchase. The exercise 18 of of 19 authority with respect to purchases for a bona fide operating emergency is not dependent on a declaration of an operating 20 21 emergency by the Board of Trustees.

No Trustee shall be interested, directly or indirectly, 22 23 in any contract, work or business of the municipality, or in the sale of any article, whenever the expense, price or 24 25 consideration of the contract work, business or sale is paid 26 either from the treasury or by any assessment levied by any 27 Statute or Ordinance. No Trustee shall be interested, directly or indirectly, in the purchase of any property which 28 29 belongs to the municipality, or (2) is sold for taxes or (1)30 assessments of the municipality, or (3) is sold by virtue of legal process in the suit of the municipality. 31

A contract for any work or other public improvement, to
 be paid for in whole or in part by special assessment or
 special taxation, In-all-other-respects-such-contracts shall

-4-

1 be entered into and the performance thereof controlled by the 2 provisions of Division 2 of Article 9 of the "Illinois Municipal Code", approved May 29, 1961, as heretofore or 3 4 hereafter amended, as near as may be. However, contracts may be let for making proper and suitable connections between the 5 mains and outlets of the respective sanitary sewers in the 6 7 district with any conduit, conduits, main pipe or pipes that may be constructed by such sanitary district. 8

9 (Source: P.A. 91-921, eff. 1-1-01.)

Section 10. The Sanitary District Act of 1917 is amended by changing Section 11 as follows:

12 (70 ILCS 2405/11) (from Ch. 42, par. 310)

13 11. Except as otherwise hereinafter provided, all Sec. 14 contracts for purchases or sales by a sanitary district organized under this Act, the expense of which will exceed 15 the mandatory competitive bid threshold \$10,000, shall be let 16 17 to the lowest responsible bidder therefor upon not less than 14 days' public notice of the terms and conditions upon which 18 19 the contract is to be let, having been given by publication 20 in a newspaper of general circulation published in the 21 district, and the board may reject any and all bids, and readvertise. In determining the lowest responsible bidder, 22 23 the board shall take into consideration the qualities and serviceability of the articles supplied, their conformity 24 with specifications, their suitability to the requirements of 25 the district, the availability of support services, the 26 27 uniqueness of the service, materials, equipment, or supplies 28 as it applies to network integrated computer systems, the compatibility of the service, materials, equipment 29 or 30 supplies with existing equipment, and the delivery terms. Contracts for services in excess of the mandatory competitive 31 32 bid threshold \$10,000 may, subject to the provisions of this

-5-

1 Section, be let by competitive bidding at the discretion of 2 the district board of trustees. Cash, a cashier's check, a 3 certified check, or a bid bond with adequate surety approved 4 by the board of trustees as a deposit of good faith, in a 5 reasonable amount, but not in excess of 10% of the contract amount, may be required of each bidder by the district on all 6 7 bids involving amounts in excess of the mandatory competitive bid threshold and, if so required, the advertisement for bids 8 9 shall so specify.

All contracts for purchases or sales that will not exceed 10 11 the mandatory competitive bid threshold of--\$10,000-or--less may be made in the open market without publication in a 12 13 newspaper as above provided, but whenever practical shall be based on at least 3 competitive bids. For purposes of this 14 15 Section, the "mandatory competitive bid threshold" is a 16 dollar amount equal to 0.1% of the greater of: (1) the total 17 general fixed assets of the district as reported in the most recent required audit report or (2) the total insured 18 property value of the district as provided for in the 19 20 district's insurance policy in effect at the time of the bid solicitation. In no event, however, shall the mandatory 21 22 competitive bid threshold dollar amount be less than \$10,000, 23 <u>nor more than \$100,000.</u>

Contracts which by their nature are not adapted to award 24 25 by competitive bidding, including, without limitation, contracts for the services of individuals, groups or firms 26 possessing a high degree of professional skill where the 27 ability or fitness of the individual or organization plays an 28 29 important part, contracts for financial management services 30 undertaken pursuant to "An Act relating to certain investments of public funds by public agencies", approved 31 July 23, 1943, as now or hereafter amended, contracts for the 32 purchase or sale of utilities, contracts for materials 33 34 economically procurable only from a single source of supply,

-6-

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

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

16 The competitive bidding requirements of this Section do not apply to contracts, including contracts 17 for both materials and services incidental thereto, for the repair or 18 19 replacement of a sanitary district's treatment plant, sewers, equipment, or facilities damaged or destroyed as the result 20 21 of a sudden or unexpected occurrence, including, but not 22 limited to, a flood, fire, tornado, earthquake, storm, or 23 other natural or man-made disaster, if the board of trustees determines in writing that the awarding of those contracts 24 25 without competitive bidding is reasonably necessary for the sanitary district to maintain compliance with a permit issued 26 under the National Pollution Discharge Elimination System 27 (NPDES) or any successor system or with any outstanding order 28 relating to that compliance issued by the United States 29 30 Environmental Protection Agency, the Illinois Environmental Protection Agency, or the Illinois Pollution Control Board. 31 32 The authority to issue contracts without competitive bidding pursuant to this paragraph expires 6 months after the date of 33 34 the writing determining that the awarding of contracts

-7-

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without competitive bidding is reasonably necessary.

2 Where the board of trustees declares, by a 2/3 vote of all members of the board, that there exists an emergency 3 4 affecting the public health or safety, contracts totaling not 5 more than the emergency contract cap \$40,000 may be let to б the extent necessary to resolve such emergency without public 7 advertisement or competitive bidding. For purposes of this Section, the "emergency contract cap" is a dollar amount 8 9 equal to 0.4% of the greater of: (1) the total general fixed 10 assets of the district as reported in the most recent 11 required audit report or (2) the total insured property value 12 of the district as provided for in the district's insurance policy in effect at the time of the bid solicitation. In no 13 event, however, shall the emergency contract cap dollar 14 amount be less than \$40,000, nor more than \$400,000. The 15 16 ordinance or resolution embodying the emergency declaration shall contain the date upon which such emergency will 17 terminate. The board of trustees may extend the termination 18 date if in its judgment the circumstances so require. A full 19 written account of the emergency, together with a requisition 20 21 for the materials, supplies, labor or equipment required therefor shall be submitted immediately upon completion and 22 23 shall be open to public inspection for a period of at least one year subsequent to the date of such emergency purchase. 24

25 A contract for any work or other public improvement, to be paid for in whole or in part by special assessment or 26 special taxation, In-all-other-respects-such-contract shall 27 be entered into and the performance thereof controlled by 28 29 Division 2 of Article 9 of the "Illinois Municipal Code", approved May 29, 1961, as heretofore and hereafter amended, 30 as near as may be. The contracts may be let for making proper 31 and suitable connections between the mains and outlets of the 32 respective sewers in the district with any conduit, conduits, 33 34 main pipe or pipes that may be constructed by such sanitary

-8-

1 district.

2 (Source: P.A. 88-542, eff. 5-27-94; 88-572, eff. 8-11-94;
3 89-235, eff. 8-4-95; 89-558, eff. 7-26-96.)

Section 15. The Sanitary District Act of 1936 is amended
by changing Section 14 as follows:

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(70 ILCS 2805/14) (from Ch. 42, par. 425)

7 14. Except as otherwise provided in this Section, Sec. all contracts for purchases or sales by the 8 sanitary 9 district, the expense of which will exceed the mandatory <u>competitive bid threshold</u> \$10,000, shall be let to the lowest 10 responsible bidder therefor upon not less than 14 days' 11 public notice of the terms and conditions upon which the 12 contract is to be let, having been given by publication in a 13 14 daily or weekly newspaper published in the district or, if there is no newspaper published in the district, in a 15 16 newspaper published in the county and having general 17 circulation in the district, and the board may reject any and all bids, and readvertise. Contracts for services in excess 18 of the mandatory competitive bid threshold \$10,000 may, 19 20 subject to the provisions of this Section, be let by 21 competitive bidding at the discretion of the district board of trustees. All contracts for purchases or sales that will 22 23 not exceed the mandatory competitive bid threshold $\theta = \$10, 000$ 24 or-less may be made in the open market without publication in 25 a newspaper as above provided, but whenever practical shall be based on at least 3 competitive bids. For purposes of 26 27 this Section, the "mandatory competitive bid threshold" is a 28 dollar amount equal to 0.1% of the greater of: (1) the total 29 general fixed assets of the district as reported in the most 30 recent required audit report or (2) the total insured property value of the district as provided for in the 31 district's insurance policy in effect at the time of the bid 32

1 solicitation. In no event, however, shall the mandatory 2 competitive bid threshold dollar amount be less than \$10,000, 3 nor more than \$100,000. Cash, a cashier's check, a certified 4 check, or a bid bond with adequate surety approved by the board of trustees as a deposit of good faith, in a reasonable 5 amount, but not in excess of 10% of the contract amount, may 6 7 be required of each bidder by the district on all bids 8 involving amounts in excess of the mandatory competitive bid 9 threshold and, if so required, the advertisement for bids 10 shall so specify.

11 Contracts which by their nature are not adapted to award by competitive bidding, including, without 12 limitation, contracts for the services of individuals, groups or firms 13 possessing a high degree of professional skill where the 14 15 ability or fitness of the individual or organization plays an 16 important part, contracts for financial management services undertaken pursuant to the Public Funds Investment Act, 17 contracts for the purchase or sale of utilities, contracts 18 19 for materials economically procurable only from a single source of supply and leases of real property where the 20 21 sanitary district is the lessee shall not be subject to the 22 competitive bidding requirements of this Section.

23 The competitive bidding requirements of this Section do 24 not apply to contracts for construction of a facility or 25 structure for the district when the facility or structure 26 will be designed, built, and tested before being conveyed to 27 the district.

Where the board of trustees declares, by a 2/3 vote of all members of the board, that there exists an emergency affecting the public health or safety, contracts totaling not more than <u>the emergency contract cap</u> \$40,000 may be let to the extent necessary to resolve such emergency without public advertisement or competitive bidding. <u>For purposes of this</u> <u>Section, the "emergency contract cap" is a dollar amount</u>

1 equal to 0.4% of the greater of: (1) the total general fixed 2 assets of the district as reported in the most recent required audit report or (2) the total insured property value 3 4 of the district as provided for in the district's insurance policy in effect at the time of the bid solicitation. In no 5 event, however, shall the emergency contract cap dollar 6 amount be less than \$40,000, nor more than \$400,000. The 7 ordinance or resolution embodying the emergency declaration 8 9 shall contain the date upon which such emergency will The board of trustees may extend the termination 10 terminate. 11 date if in its judgment the circumstances so require. A full written account of the emergency, together with a requisition 12 for the materials, supplies, labor sr equipment required 13 therefor shall be submitted immediately upon completion and 14 shall be open to public inspection for a period of at least 15 16 one year subsequent to the date of such emergency purchase. (Source: P.A. 91-547, eff. 8-14-99.) 17