



# CHIEF PROCUREMENT OFFICE

## Art Moore, Capital Development Board

Reference #: 250-510-019

### EMERGENCY PURCHASE STATEMENT / NOTICE OF AWARD

Agency: Capital Development Board Point of Contact: \_\_\_\_\_

Location of Emergency: 2121 W. Taylor, Chicago - Chicago Medical District Complex

Vendor: Nest Builders, Inc. (29590)

Address: 303 W. Erie Street, Suite 510 City: Chicago State: IL Zip: 60654

### Emergency Purchase Details

Emergency Category (select the appropriate option(s) from the checklist below):

- Involving threat to public health or public safety
- Immediate expenditure is necessary for repairs to State property to protect against further loss or damage
- To prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues
- To insure integrity of State records

Describe the scope of the emergency. Show justification for the need of an emergency contract, the selection of the vendor, and explain why the need for work cannot be met through a competitive process:

Central Management Services ("CMS") owns and operates the facility at 2121 W. Taylor, in the heart of the Chicago Medical Center Complex. The building is 5 stories and approximately 180,000 sf. The primary tenants are the University of Illinois Chicago (UIC) and the Illinois Department of Public Health (IDPH). Both tenants operate labs in the facility and perform critical testing. IDPH operates their Chicago Lab at this facility and currently staffs 140 employees, 65 who are dedicated specifically to COVID-19 testing. The lab is running 24/7 to handle the COVID workload as well as operate as a Biological Safety Level (BSL) 3 lab that conducts testing for the newborn screening program and Homeland Security. In general, BSL-3 labs conduct extremely specific testing and work is strictly controlled and registered with the appropriate Government Agencies.

A request for upgrades to the HVAC system has been on the CMS capital projects list for many years. However, the facility now is at a critical point with the boilers and need immediate replacement of at least one of the boilers to keep the building operational this winter. Currently there are two low pressure, 15 PSI, fire tube style, natural gas fired boilers. They are connected to a softened, feed-water system that pumps into boilers when steam is needed. The steam supplies the buildings 4 main air handlers. During heating season, the boilers deliver steam to heat the building's domestic hot water system which supplies the restrooms and sinks in both UIC and IDPH labs. The system exhausts 100% of building air and supply 100% of outside air all year long. Both boilers are original and more than 50 years old. CMS has spent tens of thousands of dollars over the years to keep them operational, but one has completely failed. The concern is that that the other boiler will not get us through another heating season. In the past several years, CMS has replaced boiler controls, safeties and tubes but these were bandages and it is evident that the boiler is fatigued and can fail at any time. Because of the critical functions performed at this facility, both boilers are critical in order to have redundancy in the system.

Without dependable, operational boilers, CMS Engineers will not be able to heat building. When the boilers have failed over the past few years, air handler coils, reheat coils, and domestic water pipes froze and ruptured. Fire suppression piping froze and ruptured causing major damage resulting in more than \$200,000 in repairs. If the one operational boiler fails, CMS will need to close the facility which would result in shut down of IDPH and UIC labs and all associated testing.

CMS began the process of working with a mechanical contractor on replacement in June of 2020. The quote was more than \$650,000 to replace one boiler. CMS facility managers and engineers met with the vendor on several occasions to discuss all options, including repair over replacement. Communication between the vendor and CMS staff was often delayed because of staffing issues during the current COVID-19 crisis, but the vendor's opinion was that repair was not an option. CMS is requesting CDB expertise in review of the quote and scope of work and assistance with project design and replacement of at least one boiler under an emergency project. Because of the critical operations at this facility, it is imperative that we prevent any type of facility shut down.



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This project began through the emergency selection of an Architect/Engineer ("A/E"); this exempts the selection from a 14-day solicitation required through Qualifications-Based Selection ("QBS"). Considering the time frames needed for the selection, negotiation and execution of an A/E contract followed by bidding and award procedures, temporary boiler installation or testing and repair work to the existing failed boiler, followed by the design and installation of the replacement boiler(s) under the existing processes would likely not begin for several months. For this reason, emergency purchases are necessary to protect against the threat to public health and safety and to prevent or minimize serious disruption in critical State services as quickly as possible. Nest Builders, Inc., located in Chicago, IL was selected because they are relatively in close proximity to the site, they have the necessary experience and they can respond immediately to this request for emergency services.

UPDATE: After further assessment from the project team, it has been recommended that further testing and potential repair work and maintenance to the failed boiler be attempted. There are significant savings to be had by attempting temporary repairs to the existing failed boiler in lieu of renting a temporary boiler for the winter months. Therefore, the A/E will direct a contractor selected by CDB to provide testing services and potentially temporary repair work and maintenance to the existing failed boiler.

Describe the scope of work or services provided to include special limitations, conditions and incorporated documents:

UPDATE: The scope of services provides for an evaluation of the boiler system, recommendations for temporary and permanent solutions, including cost estimates and lead times, and an expedited design of the replacement boiler(s) and all ancillary components. In addition, the scope also includes providing direction for the testing and temporary repair work of the existing failed boiler, if feasible, or providing a temporary boiler, as a reimbursable item under the Architect/Engineer Professional Services Agreement, until the permanent boiler(s) can be installed. Asbestos abatement may be required. Incorporated documents include the March 2009 Standard Documents for Construction & Supplement and the March 2009 Design and Construction Manual & Supplement. Basic Architectural Services provided under this procurement should not exceed \$100,000.00, which is a place-holder prior to the negotiation of a Professional Services Agreement, without prior authorization from the Capital Development Board in consultation with the Chief Procurement Office. Final Actual Costs will be reported upon project completion and project close-out.

Was authorization to proceed verbally given?  Yes  No, receipt of this signed Notice authorizes the vendor to begin work

If Yes is checked above, explain who authorized the work, when, under what conditions or limitations and for what scope.

Expected Start Date: Oct 15, 2020 Estimated End Date: Jan 12, 2021

Amount of this expenditure is: \$100,000.00 Actual or Estimated: Estimated



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#### Signatures

I am making this statement and providing it to the CPO Office, the Auditor General, and the Procurement Policy Board in compliance with the Illinois Procurement Code and within 10 days after award of the contract.

I have authorized the emergency procurement in accordance with the requirements of the Illinois Procurement Code (30 ILCS 500) and the applicable administrative rule. I know and understand the contents of this statement and all statements herein are true and correct to the best of my knowledge.

Agency Signature: Chris Miles Digitally signed by Chris Miles Date: 2020.11.17 10:46:49 -06'00' Title: Executive II

SPO/CPO Signature: KENNETH TODD MORRIS Digitally signed by KENNETH TODD MORRIS Date: 2020.11.17 11:07:45 -06'00' Date: Nov 17, 2020



# CHIEF PROCUREMENT OFFICE

## Art Moore, Capital Development Board

Reference #: 250-510-019

### EMERGENCY PURCHASE EXTENSION

Agency: Capital Development Board Point of Contact: Penny Varnava

Location of Emergency: 2121 W. Taylor, Chicago - Chicago Medical District Complex

Vendor: Nest Builders, Inc. (29590)

Address: 303 W. Erie Street, Suite 510 City: Chicago State: IL Zip: 60654

### Extension Justification

Original Emergency Term Start Date: Oct 15, 2020 Original Emergency Term End Date: Jan 12, 2021

Amount of original: \$100,000.00 (NTE Place-Holder) Actual or Estimated: Estimated

Extension Hearing Date: Dec 30, 2020 Requested Extension End Date: Oct 31, 2021

Amount of extension expenditure: N/A - Time Only Actual or Estimated: \_\_\_\_\_

Describe the scope of the original emergency (supply, service, etc.):

The scope of work remains the same and includes providing an evaluation of the boiler system, recommendations for temporary and permanent solutions, including cost estimates and lead times, and an expedited design of the replacement boiler(s) and all ancillary components. In addition, the scope also includes providing direction for the testing and temporary repair work of the existing failed boiler, if feasible, or providing a temporary boiler, as a reimbursable item under the Architect/Engineer Professional Services Agreement, until the permanent boiler(s) can be installed. Asbestos abatement may be required.

Describe the scope of the extension (supply, service, etc.). Show justification for extending the original emergency contract, and explain why the extension need cannot be met through a competitive process:

The contractor successfully performed hydrostatic test on the boiler and repaired some studs. Tests were concluded on Saturday, November 21, 2020 and the boiler started successfully on November 23, 2020. The project team agreed to keep Boiler No. 2 as the main, and operate repaired Boiler No. 1 once a week for a full day. The contractor will visit the site during the last week of every month during the heating season to inspect the repaired equipment. The A/E is currently designing the permanent solution. Based on the age and condition of the boilers, and the continued need for redundancy, it is recommended that both boilers and all ancillary components be replaced under this emergency declaration as procuring the equipment and completing the installation must take place during the limited cooling season window during which heating is not required. Repair work to date is temporary as the boilers are well beyond their useful life and can potentially fail at any time. Therefore, CDB is requesting an emergency purchase extension through October 31, 2021 to allow for the completion of design services, bidding to a short list of approved contractors, the completion of all physical work to replace the boilers and formal close-out of the project. CDB requires Nest Builders, Inc.'s continued participation to provide design and observation services for the work, as they are familiar with the site, scope of work, and can continue to work in an expedited manner.

Term of emergency procurement shall not exceed 90 days. Contract may be extended beyond 90 days if CPO determines additional time is necessary; however, prior to execution of extension, CPO must hold a public hearing and provide written description



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Vendor: Nest Builders, Inc. (29590)

Address: 303 W. Erie Street, Suite 510 City: Chicago State: IL Zip: 60654

#### Signatures

I am requesting an extension of the requested emergency contract. I know and understand the contents of this statement and all statements herein are true and correct to the best of my knowledge.

Agency Signature: Chris Miles Digitally signed by Chris Miles  
Date: 2020.12.10 10:49:47  
-06'00' Title: Executive II

#### Hearing Disposition

Hearing Date:  Hearing Location:

The State posted to the Illinois Procurement Bulletin a description of the State's need, the justification for emergency extension, and information regarding opportunity to submit comments and testify at a public hearing.

Notice of the hearing was posted to the Illinois Procurement Bulletin at least (14) days in advance of hearing and was also posted outside the hearing room no less than two business days prior to the hearing. The hearing was held to hear testimony and receive comments on extending the procurement.

Hearing Narrative:

#### Signatures

Hearing Officer recommends approval of the extension request.

Hearing Officer  
Signature: \_\_\_\_\_ Date: \_\_\_\_\_

After a complete review of the circumstances relating to the need for extending the existing emergency contract, CPO approval is given to extend for a period not to exceed  calendar days.

CPO Signature: \_\_\_\_\_ Date: \_\_\_\_\_

State of Illinois Chief Procurement Office for the Capital Development Board

NOTICE OF HEARING

  X        Emergency Extension

The Office of the Chief Procurement Officer will hold a public hearing to hear testimony and receive comments on the proposed contract(s) as described below.

Details of the proposed contract, justification for the Agency to contract in this way and the hearing procedure can be found at [www.purchase.state.il.us/](http://www.purchase.state.il.us/). Click "Illinois Bid" and enter Procurement Bulletin Reference # in the search box.

HEARING DETAILS

DATE:                      Wednesday, December 30, 2020  
TIME:                      10:30 a.m.  
LOCATIONS:              via WebEx from multiple locations.

For those who wish to attend this hearing via teleconference, please call in to the number below:  
Phone: 1-312-535-8110  
Access Code: 177 326 6732

HEARING CONTACT PERSON

NAME:                      Gerald Burlingham  
TITLE:                      State Purchasing Officer, Illinois Capital Development Board  
ADDRESS:                401 S. Spring St., Springfield, IL 62706  
PHONE:                    217-836-0185  
FAX:                        217-558-1399  
E-MAIL:                    gerald.burlingham@Illinois.gov

TESTIMONY

Anyone wishing to testify—please notify the HEARING CONTACT PERSON of desire to testify in advance if possible.

PROPOSED CONTRACT(S) SUBJECT OF THIS HEARING

Agency:                      Illinois Capital Development Board

Vendor:                      Nest Builders, Inc.  
                                      Voris Mechanical, Inc.

Brief Descriptions:

The Office of the Chief Procurement Officer for the Capital Development Board will hold a public hearing to hear testimony and receive comments on the proposed contract extensions for design services from Nest Builders, Inc., and construction services from Voris Mechanical, Inc. This is related to an emergency procurement at the CMS Laboratory, Chicago Medical District Complex. Project #250-510-019





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#### Signatures

I am requesting an extension of the requested emergency contract. I know and understand the contents of this statement and all statements herein are true and correct to the best of my knowledge.

Agency Signature: Chris Miles Digitally signed by Chris Miles  
Date: 2020.12.10 10:49:47  
-06'00' Title: Executive II

#### Hearing Disposition

Hearing Date: Dec 30, 2020 Hearing Location: via WebEx from multiple locations

The State posted to the Illinois Procurement Bulletin a description of the State's need, the justification for emergency extension, and information regarding opportunity to submit comments and testify at a public hearing.

Notice of the hearing was posted to the Illinois Procurement Bulletin at least (14) days in advance of hearing and was also posted outside the hearing room no less than two business days prior to the hearing. The hearing was held to hear testimony and receive comments on extending the procurement.

Hearing Narrative:

A hearing was conducted with the following individuals in attendance via WebEx: Jerry Burlingham, SPO; Chris Miles, CDB emergency coordinator; Penny Varnarva, CDB Project Manager (PM); Andrea Bauer, CDB Regional Manager; Ben Rubach, Nest Builders, dba dbHMS; Marcos Guerrero, Voris Mechanical , Inc.

The PM provided a current status for this project.

Testing on the boilers have been completed and the A/E is currently designing the permanent solution. Based on the age and condition of the boilers, and the continued need for redundancy, it is recommended that both boilers and all ancillary components be replaced under this emergency declaration as procuring the equipment and completing the installation must take place during the limited cooling season window during which heating is not required.

CDB is requesting an emergency purchase extension through October 31, 2021 to allow for the completion of design services, bidding to a short list of approved contractors, material lead time allowances and the completion of all physical work to replace the boilers and formal close-out of the project.

SPO Burlingham concurs with this request and recommends approval to extend this contract to October 31,2021.



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Vendor: Nest Builders, Inc. (29590)

Address: 303 W. Erie Street, Suite 510 City: Chicago State: IL Zip: 60654

#### Signatures

Hearing Officer recommends approval of the extension request.

Hearing Officer Signature: GERALD STEVEN BURLINGHAM Digitally signed by GERALD STEVEN BURLINGHAM Date: 2020.12.30 11:13:39 -06'00' Date: Dec 30, 2020

After a complete review of the circumstances relating to the need for extending the existing emergency contract, CPO approval is given to extend for a period not to exceed 292 calendar days.

CPO Signature: Arthur L Moore Digitally signed by Arthur L Moore Date: 2020.12.31 09:58:52 -06'00' Date: Dec 31, 2020