

**STATE OF ILLINOIS  
DEPARTMENT OF TRANSPORTATION**

**IN THE MATTER OF,**

**Northern Contracting, Inc.**

**Respondent(s)**

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**2021-S-0001**

## NOTICE OF SUSPENSION AND INTERIM SUSPENSION

To: Richard Roesch,  
President, Northern  
Contracting, Inc.  
1851 Coltonville Road  
Sycamore, Illinois 60178

The Chief Procurement Officer for the State of Illinois, Department of Transportation ("CPO"), pursuant to Title 44 Illinois Administrative Code, Sections 6.510, 6.520, and 6.530, in order to safeguard the public interest in the solicitation, execution, administration, and performance of public contracts, hereby notifies Mr. Richard Roesch, President, as representative and owner of Northern Contracting, Inc. ("Northern"), with its principal place of business at 1851 Coltonville Road, Sycamore, Illinois 60178, that the CPO proposes to suspend Northern from bidding on or participating in any new contract awarded by or requiring approval or concurrence of the Illinois Department of Transportation ("Department" or "IDOT").

The bases for these actions include the following:

1. Title 44, Illinois Administrative Code, Section 6.520, states in part, "A contractor or subcontractor may be suspended or debarred from participation due to acts or omissions that indicate that the contractor or subcontractor lacks integrity and honesty in the conduct of business or the performance of contracts. Acts or omissions that indicate the lack of business integrity and honesty include but are not limited to:
  - A) fraud, bribery, embezzlement, theft, collusion, conspiracy, anti-competitive activity or other misconduct and offenses prohibited by law whether or not any such misconduct or offense is in connection with a Department contract or subcontract or any contract or subcontract requiring Department approval materially violating any rule or procurement procedure or making a material false statement in connection with any rules or procurement procedures of the Department; and
  - C) materially violating any rule or procurement procedure or making a material false statement in connection with any rules or procurement procedures of the Department."
2. IDOT contract 62N15 was placed on the January 15, 2021 letting pursuant to the competitive sealed bid process set forth in 44 Ill. Admin. Code 6.80 in compliance with Section 20-5 of the Illinois Procurement Code. 30 ILCS 500/20-5.

3. IDOT received a report on January 13, 2021 from an individual associated with Contractor A, who provides products and services relevant to contract 62N15 and who had bid on previous IDOT lettings to contract for such services.
4. Contractor A reported receiving a call from a Northern employee on January 12, 2021. The Northern employee told Contractor A that Northern was raising its bid price for the January letting to more than what Contractor A had bid on similar letting items, in the past, and asked to be informed if Contractor A was going to raise its bid.
5. An IDOT investigation verified the report by Contractor A. A Northern employee admitted that they contacted Contractor A and discussed the bid amount for contract 62N15. The employee reported that they were directed to make the call by Northern President and owner, Richard Roesch.
6. Roesch confirmed that he told the employee to call Contractor A. He stated that he did not recall why he had the employee make the call.
7. Northern appears to have intentionally violated the requirements for sealed competitive bidding. Information provided on the call could be used to create an anti-competitive bid. The call also appears to be an attempt to agree on the exchange of pricing information. The price information conveyed in the call is an element of the offense of bid-rigging in Section 33E-3 of the Criminal Code. 720 ILCS 5/33E-3.
8. Northern, through its acts, omissions and/or misconduct, has demonstrated it lacks the responsible business integrity and honesty to contract with the Department. See, 44 Ill. Adm. Code 6.520(a) and (c).

### **INTERIM SUSPENSION**

Pursuant to 44 Illinois Administrative Code, Section 6.530, I find that immediate action is necessary to safeguard the public interest in the solicitation, execution, administration, and performance of public contracts. The reasons for the interim suspension are set forth in paragraphs one (1) through eight (8) above. Northern shall not enter into or attempt to enter into, or participate in, a contract awarded, approved or funded, in any part, by the Department, irrespective of the method of procurement, or any subcontract, material supply agreement or equipment lease transaction in connection with any such contract, pending further notice.

Northern will be permitted to continue to perform work on existing, fully executed contracts and subcontracts during the period of the Interim Suspension. If, at any time during the Interim Suspension, it is determined that continuing that work is not in the best interest of the State of Illinois, Northern may be instructed to stop work on any or all contracts or subcontracts.

## RESPONDENT'S RIGHTS UNDER THE CODE

1. Any contractor receiving a notice of suspension may, within thirty (30) days after receipt of a notice, file an appearance and request for hearing. A contractor that does not file an appearance and request a hearing within the thirty (30) days after receipt shall be deemed to have waived any hearing and will be subject to immediate full suspension. 44 Ill. Admin. Code 6.620.
2. Upon receipt of an appearance and request for hearing, the CPO will set the matter for a hearing within thirty (30) days, and notify the contractor of the place, time and date of the hearing and the designated Hearing Officer. 44 Ill. Admin. Code 6.630.
3. The contractor may file a written notice for disqualification of a Hearing Officer, setting forth reasons of personal bias or conflict of interest, within three (3) days after the appointment of the Hearing Officer. 44 Ill. Admin. Code 6.630.
4. The contractor may file a written answer to a notice not later than twenty (20) days prior to the hearing date, but shall not be required to file an answer. The answer may include affirmative defenses. 44 Ill. Admin. Code 6.640.
5. Within 30 days after receipt of a notice that imposes an interim suspension, the contractor may submit, in person, in writing, or through a representative, information, documentation and argument in opposition to the interim suspension. The CPO will consider the contractor's submission in light of the evidence developed in the pending investigation, and may modify or terminate the interim suspension or may leave it in force. The CPO's decision concerning imposition of an interim suspension is final without further hearing. 44 Ill. Admin. Code 6.620.
6. Notices shall be directed to Ms. Yangsu Kim, Chief Counsel, Office of Chief Counsel, 2300 S. Dirksen Parkway, Springfield, IL 62764.

This Notice of Suspension and Interim Suspension is issued and served this 3rd day of June, 2021 at Springfield, Illinois.

Department of Transportation

  
Bill Grunloh, Chief Procurement Officer