ROLL CALL

PURCHASE RECOMMENDATION

The "Purchase Recommendation" is presented by campus and a Summary from "Appropriated Funds" (i.e., from State appropriations to the University) and from "Institutional Funds" is included. The latter term is used here to designate funds received by the University under contracts with the United States Government; contracts with private corporations and other organizations, from foundation grants, and grants from corporations and other donors; and University revolving funds authorized by law. The Summary also indicates a total amount by campus.

The Board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois Statutes, The General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The Director of Purchases has proposed and the Vice President, Chief Financial Officer recommends the following purchase. Unless otherwise specified, the purchase in each case is recommended on the basis of the lowest acceptable bid.

The President of the University concurs.

PURCHASE RECOMMENDED

<table>
<thead>
<tr>
<th>Urbana-Champaign Campus</th>
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<tr>
<td><strong>Item</strong></td>
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<tr>
<td><strong>Cost</strong></td>
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Item: Maintenance and repair work for equipment at the Utilities Production Plants for the period November 18, 2013 through June 30, 2014, with the option to renew for five additional one-year periods. All renewals are subject to continuing need, availability of funds, satisfactory performance, and Board of Trustees’ approval.
Renewal Options:

- July 1, 2014 to June 30, 2015: $12,000,000 (estimated)
- July 1, 2015 to June 30, 2016: $12,000,000 (estimated)
- July 1, 2016 to June 30, 2017: $12,000,000 (estimated)
- July 1, 2017 to June 30, 2018: $12,000,000 (estimated)
- July 1, 2018 to June 30, 2019: $12,000,000 (estimated)

Vendor:
- Primary: Progress Pump & Turbine Services, Inc., Schererville, IN
  - $8,000,000 (estimated)
- Secondary: General Electric International, Inc., Swansea, IL
  - $4,000,000 (estimated)

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code. Three vendors did not meet all of the specifications and were considered non-responsive. A fourth vendor was deemed non-responsible after a review of its performance record. Of the remaining two vendors, the low-cost bidder was selected as primary vendor, and the other will be the secondary vendor. The secondary vendor will only be utilized in the event that the primary vendor cannot handle the extent of the maintenance and repair work.

The Utilities Production Plants are the only source of heat and chilled water for the University of Illinois Urbana-Champaign campus (UIUC). They are also the only source of electricity for a portion of the campus because the campus electrical demand exceeds the electrical grid’s import limit. It is thus vital to maintain a regular and predictable overhaul cycle on these large assets in the interest of providing reliable utilities for the UIUC campus.

The maintenance and repair work under this agreement will include service on steam turbines, generators, motors, pumps, and fans. The contract also allows access to utility- and industrial-grade repair expertise, tooling, inspection services, and project management.

### SUMMARY OF PURCHASES

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Urbana-Champaign Campus</td>
<td>$ 12,000,000</td>
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<tr>
<td>Recommended from Institutional Funds</td>
<td></td>
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<tr>
<td>Grand Total</td>
<td>$ 12,000,000</td>
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