

Board Meeting
November 9, 2006

ROLL CALL

PURCHASES AND CHANGE ORDER RECOMMENDATIONS

The "Purchase and Change Order Recommendations" are presented by campus and a Summary of Purchases and Change Orders 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 Directors of Purchases have proposed and the Vice President for Administration recommends the following purchases and change order. Unless otherwise specified, the purchase in each case is recommended on the basis of the lowest acceptable bid.

The President of the University concurs.

PURCHASES RECOMMENDED

Chicago Campus

1	Unit	Hospital Information Services
---	------	-------------------------------

Item	Applications programming and analyst support to provide mainframe maintenance, modification, development, and support for the HBOC Healthquest 3.0 Patient Management and Patient Accounting applications mainframe beginning January 1, 2007 through December 31, 2009 with the option to renew for two additional one-year periods at an increase not to exceed 5% for each renewal period. All renewals are subject to continuing need, availability of funds, and satisfactory performance with the Comptroller authorized to exercise the options.
------	---

Cost \$1,786,500 (estimated)

FY 2007 \$297,750 est. (partial year)
 FY 2008 \$595,500 est.
 FY 2009 \$595,500 est.
 FY 2010 \$297,750 est. (partial year)

Option 1 – 01/01/10 through 12/31/10
 FY2010 \$312,638 est. (partial year)
 FY2011 \$312,638 est. (partial year)

Option 2 – 01/01/11 through 12/31/011
 FY2011 \$328,267 est. (partial year)
 FY2012 \$328,267 est. (partial year)

Vendor HealthTek Solutions, Inc. Norfolk, VA

<u>Proposals Received</u>	<u>Point Summary of Proposals</u> (Maximum Score of 6000)
Healthlink/IBM, Houston, TX	5230
HealthTek, Norfolk, VA	4230

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

Healthlink/IBM received a better technical evaluation score but they proposed 2,000 more hours than the RFP requested for 24/7 support services. HealthTek proposed to include the 24/7 support in accordance with the specifications of the RFP with no additional hours and with sharing the 24/7 support with current medical center staff. This results in a savings of \$600,000 on an annual basis.

The Patient Accounting System is used to collect patient revenue of over \$340,000,000 annually, and maintaining a stable environment is critical to maintain collections.

2 Unit College of Medicine, Department of Urology

Item Provide pediatric urology services and residency education beginning July 1, 2006 through June 30, 2007 with the option to renew for three additional one-year periods at an increase not to exceed 3% for each renewal period. All renewals are subject to continuing need, availability of funds, and satisfactory performance with the Comptroller authorized to exercise the options.

Cost \$192,000 (estimated)

 FY 2007 \$192,000 est. (partial year)

 FY 2008 \$197,760 est.

 FY 2009 \$203,693 est.

 FY 2010 \$209,804 est.

Vendor Antonio Chaviano, M.D., Chicago, IL

This transaction is exempt from the requirements of the Illinois Procurement Code as services are for "purchase of care".

These services are critical for the Department of Urology to ensure the continuity of care to the current pediatric urology patients and enable the department to maintain its residency accreditation and contractual managed care capitation contract with Advocate Health Care Systems which generates approximately \$850,000 a year.

There are an extremely limited number of board certified pediatric urologists qualified to provide both patient services and residency education. Unsuccessful attempts were made to recruit. Dr. Chaviano has provided these services in the past for the Department of Urology. He currently holds an academic and clinical appointment with Children's Memorial Hospital, Chicago, and all have agreed to this part time appointment.

3 Unit Center for Magnetic Resonance Research

Item Multi-channel Transceiver for Magnetic Resonance Scanning

Cost \$204,815 f.o.b. delivered

Vendor MR Instruments Inc., Minnetonka, MN

This purchase is a sole source because the equipment and technology is patented and manufactured only by MR Instruments.

MR Instruments is the only manufacturer that offers an instrument that will work with the existing 9.4 Tesla magnetic resonance scanner to reduce the scan time on patients by a factor of four. This reduction in scan time is a huge benefit because the amount of time a patient must spend in the scanner will now be reduced from 1 hour to only 15 minutes.

This is especially important when multiple scans on a human subject are required. In addition, the temporal resolution of the images scanned will increase by a factor of four, which allows for better identification and tracking of diseases of the brain.

The price is considered reasonable and acceptable. A 20% discount off the original quoted price was negotiated.

4 Unit Facilities Planning and Programs-Energy Management

Item Purchase of parts and maintenance service for five Wartsila engines in the east and west side cogeneration facilities beginning November 15, 2006 through June 30, 2007 with the option to renew for five additional one-year periods at the same terms and conditions. All renewals are subject to continuing need, availability of funds, and satisfactory performance with the Comptroller authorized to exercise the options.

Cost \$334,000 f.o.b. delivered (estimate)

FY 2007	\$334,000 est. (partial year)
FY 2008	\$500,000 est.
FY 2009	\$500,000 est.
FY 2010	\$500,000 est.
FY 2011	\$500,000 est.
FY 2012	\$500,000 est.

Vendor Wartsila North America, Inc., Fort Lauderdale, FL

This purchase is a sole source because the equipment is manufactured only by Wartsila North America, Inc.

This purchase is for parts and maintenance service for five engines purchased from Wartsila North America, Inc. in March 13, 1997 and May 27, 1999. The parts and services requested are those which only Wartsila, as the Original Equipment Manufacturer (OEM) can provide; all other non-OEM parts are purchased elsewhere. These engines are used for the generation of electricity for the Chicago campus.

The price is considered reasonable and acceptable.

5 Unit Hospital Information Services

Item Renewal of on-site technical support services to Oracle databases beginning September 1, 2006 through August 31, 2007 with the option to renew for four additional one-year periods. Price increases for option period one and two are not to exceed 5%, and option three and four are not to exceed 7%. All renewals are subject to continuing need, availability of funds, and satisfactory performance with the Comptroller authorized to exercise the options.

Cost \$373,972 f.o.b. delivered

Base Price – 9/1/06 through 8/31/07			
FY2007	9/1/2006	6/30/2007	\$311,643
FY2008	7/1/2007	8/31/2007	\$ 62,329
			\$373,972

Option 1 – 9/1/07 through 8/31/08

FY2008	9/1/2007	6/30/2008	\$327,225
FY2009	7/1/2008	8/31/2008	\$ 65,445
			\$392,671
Option 2 – 9/1/08 through 8/31/09			
FY2009	9/1/2008	6/30/2009	\$343,587
FY2010	7/1/2009	8/31/2009	68,717
			\$412,304
Option 3 – 9/1/09 through 8/31/10			
FY2010	9/1/2009	6/30/2010	\$367,638
FY2011	7/1/2010	8/31/2010	\$ 73,528
			\$441,165
Option 4 – 9/1/10 through 8/31/11			
FY2011	9/1/2010	6/30/2011	\$393,372
FY2012	7/1/2011	8/31/2011	\$ 78,674
			\$472,047

Vendor Oracle Corporation, Redwood Shores, CA

This purchase is a sole source because the technical support services can only be provided by the original manufacturer of the Oracle databases.

The Medical Center's patient care system and electronic health records clinical application, Cerner Millenium, utilizes Oracle databases to maintain patient records. This critical application needs to be available to clinicians at all times and requires a high level of support from Oracle to ensure the applications delivery. This requires 24/7 support services as well as strong program management services and Oracle staff to assist the University with new technology related to Oracle databases.

The price is considered reasonable and acceptable.

6 Unit Office for Capital Programs

Item Dormitory bedroom and lounge area furniture (bunkable beds, desks, desk chairs, nightstands, student overhead, dressers, lounge chairs, settees, sofas, and end tables) including installation.

Cost \$876,061 f.o.b. delivered and installed

Vendors Ecologic, Inc., Lake Bluff, IL \$584,754
Mastercraft, Red Lion, PA \$291,307

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

The furniture will be installed in the South Campus Mixed Use

Development Project.

7 Unit Office for Capital Programs

Item Event, banquet, office, and lounge furniture including installation

Cost \$627,996 f.o.b. delivered and installed

Vendor OEC Business Interiors, Chicago, IL

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

The furniture will be installed in the South Campus Mixed Use Development Project.

8 Unit Campus Housing for Residence Life

Item Security guard services, unarmed and uniformed, beginning December 1, 2006 through June 30, 2007 with the option to renew for four additional one-year periods at the same terms and conditions. All renewals are subject to continuing need, availability of funds and satisfactory performance with the Comptroller authorized to exercise the options.

Cost \$280,224 (estimated)

FY 2007 \$280,224 est. (partial year)

FY 2008 \$447,776 est.

FY 2009 \$447,776 est.

FY 2010 \$447,776 est.

FY 2011 \$447,776 est.

Vendor CBS Security, Inc. Chicago, IL

Proposals Received

NationWide Security, Lansing, IL

Diamond Detective, Chicago Heights

FY 07 Estimated Cost

\$301,059

\$323,204

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

This service will provide weekday and weekend security, including holidays, for the Campus Housing Department that has Student Residence Halls located on both the East and West sides of the Chicago campus. Security services during school sessions will be provided for up to 10 hours per day, 7 days a week. Security services

during the periods school is not in session will be provided for 24 hours per day, 7 days a week.

Urbana-Champaign Campus

9 Unit Institute of Aviation - Willard Airport

Item Oshkosh H-2718-HP-3 Runway Sweeper with airblast system, all wheel drive, and two engine design

Cost \$439,600 – f.o.b. delivered

Vendor Temco Machinery, Inc., Aurora, IL

<u>Bids Received</u>	<u>Total Cost</u>
C. E. Pollard Service, Inc., Detroit, MI	\$459,000
MacQueen Equipment, Inc., St. Paul, MN	\$465,000

Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

This procurement will allow Willard Airport to maintain the airfield during large and small snow events. The sweeper will be a central and critical component of their airfield maintenance equipment and support achieving the objectives of the airport's published snow plan.

10 Unit University Library

Item Digitization services, hosting necessary metadata, and making content freely and publicly accessible over the internet beginning November 15, 2006 through June 30, 2007 with the option to renew for two additional one-year periods at an increase not to exceed 10% for each renewal period. All renewals are subject to continuing need, availability of funds and satisfactory performance, with the Comptroller authorized to exercise the options.

Cost \$200,000 (estimated)

FY 2007	\$200,000 est. (partial year)
FY 2008	\$220,000 est.
FY 2009	\$242,000 est.

Vendor Internet Archive, San Francisco, CA

This purchase is a sole source because only Internet Archive can offer mass on-site digitization services, host the digital content along with the necessary metadata, and make that content accessible over the internet to the public.

Internet Archive will provide two digital scanning devices, all software

and hardware, and all necessary labor to scan the volumes, produce the digital images, use file names consistent with other member scanning projects, and create a new “sub-collection’ on the Internet Archive Text Collection page.

The on-site scanning services will eliminate any need to ship library materials elsewhere for digitization. Additionally, it will allow University library personnel to oversee the handling of rare materials to ensure their safety and proper care.

CHANGE ORDER RECOMMENDED

Urbana-Champaign Campus

1 Unit Vice Chancellor for Research

Item Change Order in accordance with the renewal option in the original contract for consulting services to pursue additional study and guidance in the areas of Integrated Sciences for Health Initiative, the Sustainable Energy and Environment Initiative, Center on Technology Policy, and College of Engineering focus and strategy process period beginning November 15, 2006 through June 30, 2007 with the option to renew for one additional one-year period at the same terms and conditions. The renewal is subject to continuing need, the availability of funds, and satisfactory performance with the Comptroller authorized to exercise the option.

Cost \$272,000 (estimated)

<u>Original Amount</u>		<u>Change order</u>	<u>New total</u>
<u>(estimated)</u>		<u>(estimated)</u>	<u>(estimated)</u>
\$130,000	FY07	\$272,000	\$402,000
	FY08	\$272,000	

Vendor Washington Advisory Group, Washington, DC

In January 2006, the Board of Trustees approved a contract with Washington Advisory Group to provide consulting services for the development of funding strategies. The award made to Washington Advisory Group was based upon a competitive Request for Proposal (RFP) in accordance with the requirements of the Illinois Procurement Code. The term of the original contract was for the period beginning January 25, 2006 through June 30, 2006. Additionally, the RFP and the contract included provisions for renewal options for two additional one-year periods to address additional services that might be necessary.

SUMMARY OF PURCHASES	
(Rounded to nearest dollar)	
Chicago Campus	\$4,675,568
Urbana-Champaign Campus	639,600
Recommended from Institutional Funds	
Grand Total	\$5,315,168
SUMMARY OF CHANGE ORDER	
(Rounded to nearest dollar)	
Urbana-Champaign Campus	\$272,000
Recommended from Institutional Funds	
Grand Total	\$272,000