

ROLL CALL

PURCHASE AND RENEWAL RECOMMENDATIONS

The "Purchase and Renewal Recommendations" are presented by university 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 Sr. Associate Vice President for Business and Finance has proposed and the Vice President, Chief Financial Officer and Comptroller recommends the following purchases. 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

University of Illinois at Urbana-Champaign

1	Unit	Materials Research Lab
	Item	Electron Beam Lithography System
	Cost	\$1,753,250

Vendor Raith America, Inc.

Sole source procurement procedures were followed in accordance with the Illinois Procurement Code, 30 ILCS 500/20-25.

The University's research programs have been negatively affected by a serious lack of facilities for nanofabrication of devices with feature sizes under 10 nm, which are routinely available in other peer research institutions (Berkeley, CalTech, Purdue, etc.). Current demands for electronic device miniaturization and integration require accurate device fabrication with feature sizes under 10 nm, which can only be accomplished by lithography processes using electron beam systems at 100 kV acceleration which are currently not available at UIUC. Furthermore, lithography writing control and accuracy at this level (combining many layers of features in different sizes and shapes), in addition to precise stitching of small areas to form large patterns, require a very sophisticated control process. All this can be achieved by the proposed state-of-the-art electron beam lithography (EBL) system.

The University currently houses a 30-kV EBL system, which is the most heavily used instrument at the Materials Research Laboratory user facilities. This EBL performs electronic device fabrication with feature sizes down to 25 nm. Upgrading this system will allow writing speeds twice as fast with higher accuracy. It will also provide modern software to support enhanced lithography pattern design and control, in addition to allowing researchers to operate the instrument remotely from their own labs or offices, improving workflow and efficiency.

2	Unit	Utilities Administration
	Item	Furnish and deliver coal, including by-product waste disposal services, for the period September 20, 2019 through June 30, 2020 with 5 one-year renewal options. All renewals are subject to continuing need, availability of funds, satisfactory performance, and Board of Trustees' approval.
	Cost	\$5,860,000 (Estimated)

Renewals:

July 1, 2020 – June 30, 2021	\$6,446,000 (Estimated)
July 1, 2021 – June 30, 2022	\$7,090,600 (Estimated)
July 1, 2022 – June 30, 2023	\$7,799,660 (Estimated)
July 1, 2023 – June 30, 2024	\$8,579,626 (Estimated)
July 1, 2024 – June 30, 2025	\$9,437,589 (Estimated)

Vendor *Knight Hawk Coal, LLC. Percy, IL*

Bid Received	Total Estimated Cost
Knight Hawk Coal, LLC	\$5,860,000
Eagle River Coal, LLC	\$6,915,000

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

The vendor will provide an estimated 80,000 tons of coal for the Abbott Power Plant to be used as a fuel source in the University boilers. The coal will be burned to produce steam which will be used to heat campus buildings. The vendor will also dispose of approximately 20,000 tons of waste. This includes ash, cinders, gypsum, and other by-products of the coal-burning process. Coal is used as a supplementary or primary fuel depending on the fuel price and equipment availability.

Pricing for the coal includes transportation costs that are indexed to the price of diesel fuel as posted by the Energy Information Administration.

University of Illinois at Chicago

3	Unit	University of Illinois Hospital and Health Sciences Systems (UIHHSS)
	Item	Purchase of Human Organs, including tissue and histocompatibility testing for the period of September 22, 2019 through September 21, 2024, with no options to renew.
	Cost	\$32,000,000 (estimated)
	Vendor	Gift of Hope Organ and Tissue Donor Network, Inc., Itasca, IL
		This is an exempt contract under 30ILCS 500/1-13 (b-5) - Medical supplies and medical services for delivery of care and treatment at medical, dental, or veterinary teaching facilities of SIU or U of I and any University-operated health care center or

dispensary that provides care, treatment and medications for students, faculty and staff.

This request is for the ongoing purchase of human organs, including tissue and histocompatibility testing. The University has been purchasing these products through the Gift of Hope Organ and Tissue Network (GOH) since 2006. GOH is a certified, federally qualified Organ Procurement Organization (OPO) that provides a single, coordinated organ and tissue recovery program to support all transplants in the region. As a federally qualified OPO the vendor will provide distribution of organs according to established protocols; central histocompatibility laboratory services to provide donor-matching tests; patient/donor educational programs; notification of organ availability; assistance in securing appropriate transportation of donor organs and other related services.

The estimated cost is based upon the standard acquisition charge (SAC) that changes from time to time to allow Gift of Hope to recover the cost of its services and out of pocket costs for maintaining a system for recovery of organs for transplantation which under no circumstances includes any monetary value attributable to the organ itself. The pricing is considered fair and reasonable. Gift of Hope Organ and Tissue Donor Network has been appointed by the U.S. Department of Health and Human Services (HHS) to be the only organ and tissue transplantation program for Northern and Central Illinois.

BEP Goals have not been established for Sole Source or Sole Economically Feasible Source contracts because the premise of such a procurement is that there are not multiple -- including subcontracted -- suppliers, diverse or otherwise, available to provide such supplies or services. This is consistent with the definition per CPO-HE Administrative Rules Sec. 4.2025 b).

4	Unit	University of Illinois Hospital, Department of Pharmacy
	Item	Specialty Medications for Cancer Therapy for the period of October 1, 2019 through June 30, 2024, with no options to renew.
	Cost	\$10,000,000 (estimated)

Vendor CuraScript Specialty Distribution, Lake Mary, FL

This is an exempt contract under 30ILCS 500/1-13 (b-5) - Medical supplies and medical services for delivery of care and treatment at medical, dental, or veterinary teaching facilities of SIU or U of I and any University-operated health care center or dispensary that provides care, treatment and medications for students, faculty and staff.

These specialty medications include the following products used in CART-therapy for UI Health cancer patients: Flolan, Letairs, Remodulin, Tracleer and Veletri – these medications have been utilized since July 2019. Most recently, the hospital has also started using Kymriah in the CART-therapy program (CART therapy, or chimeric antigen receptor therapy, is an immunological treatment that uses the body’s own immune system to destroy cancerous cells); these products are used in patients who have failed previous cancer treatment – this therapy is considered a last option.

BEP Goals have not been established for Sole Source or Sole Economically Feasible Source contracts because the premise of such a procurement is that there are not multiple -- including subcontracted -- suppliers, diverse or otherwise, available to provide such supplies or services. This is consistent with the definition per CPO-HE Administrative Rules Sec. 4.2025 b).

5 Unit University of Illinois Hospital, Department of Pharmacy

Item Specialty Medications for Cancer Therapy for the period of October 1, 2019 through June 30, 2024, with no options to renew.

Cost \$10,000,000 (estimated)

Vendor Cardinal Health Specialty Pharmacy, Columbia, MD

This is an exempt contract under 30ILCS 500/1-13 (b-5) - Medical supplies and medical services for delivery of care and treatment at medical, dental, or veterinary teaching facilities of SIU or U of I and any University-operated health care center or dispensary that provides care, treatment and medications for students, faculty and staff.

These specialty medications include Yescarta, which is the mainstay of CART-therapy (CAR T therapy, or chimeric antigen receptor therapy, is an immunological treatment that uses the body’s own immune system to destroy cancerous cells); Yescarta is used in patients who have failed previous cancer treatment – this therapy is considered a last option.

BEP Goals have not been established for Sole Source or Sole Economically Feasible Source contracts because the premise of such a procurement is that there

are not multiple -- including subcontracted -- suppliers, diverse or otherwise, available to provide such supplies or services. This is consistent with the definition per CPO-HE Administrative Rules Sec. 4.2025 b).

6 Unit University of Illinois Hospital, Pathology Laboratories

Item Clinical Laboratory Testing Services

Cost \$9,000,000 (estimated)

Vendor ARUP Laboratories, Salt Lake City, Utah

This purchase is exempt from competitive bidding procedure in accordance with the Illinois Procurement Code because the contract is for medical services necessary for the delivery of care and treatment at the University of Illinois Hospital and Clinics in accordance with the IL Procurement Code Sec. 1-13 (b-5). The laboratory sends out hospital patient tests which cannot be performed in our in-house laboratory. Associated Regional and University Pathologists, Inc. (ARUP) Laboratories provides a wide range of testing and is the largest referral laboratory in use by the University of Illinois Hospital Pathology Laboratories.

Every effort is made to bring testing in house when feasible both logistically and financially, and all testing is reviewed by the Laboratory Practice and Utilization Committee comprised of the principal Pathologists at University of Illinois Hospital. The laboratory would have a significant expense of labor and equipment to bring all of this testing in-house. Without the use of ARUP the lab would still need to send these tests out to other vendors at a higher cost and turnaround time for test results.

BEP Goals have not been established for contracts which are exempt from the requirements of the IL Procurement Code.

The pricing is considered reasonable and acceptable based upon the historical cost of this service. By consolidating testing to ARUP, an additional savings of approximately 20% was achieved.

SUMMARY OF PURCHASES	
University of Illinois at Urbana-Champaign	\$ 7,613,250
University of Illinois at Chicago	\$61,000,000
Recommended from Institutional Funds	
Grand Total	\$68,613,250