

ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations" are 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 Directors of Purchases have proposed and the Vice President, Chief Financial Officer 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

Urbana-Champaign Campus

1 Unit Utilities Administration

Item Five-year extended service agreement for maintenance, repair services, replacement parts, and unlimited overhaul for two solar turbine generators for the period September 24, 2013 through September 23, 2018.

Cost \$11,600,000 (estimated)

Vendor Solar Turbines, Inc., San Diego, CA

This purchase is a sole source because the vendor is the original equipment manufacturer and is the sole provider of patented and compatible replacement parts, engineering expertise, and factory-trained personnel to perform the required services.

This purchase will provide repair services, replacement parts, and unlimited overhaul for the University's two Solar Turbine Titan 130S generators. The generators are located at the University of Illinois at Urbana-Champaign (UIUC) Abbott Power Plant and supply electricity to the entire campus.

The Board of Trustees approved a five-year turbine maintenance contract for the two turbines on September 11, 2008. This contract allowed for one complete overhaul for each of the turbines and will be expiring in September.

The current age of the turbines (eleven years) and their increased usage makes this unlimited service and overhaul agreement the most cost-effective approach to preventing the University from incurring the steep costs of one-time repairs and complete turbine replacement. Without such an agreement in place, a single turbine failure could cost the University up to \$4,000,000 per turbine. This five-year agreement mitigates the University's risk and the cost is considered fair and reasonable.

Chicago Campus

2 Unit College of Dentistry

Item Dental supplies for use in twenty clinics at the College of Dentistry for the period August 1, 2013 through June 30, 2016, with the option to renew for one additional two-year period. All renewals are subject to continuing need, availability of funds, satisfactory performance, and Board of Trustees' approval.

Cost \$3,585,000 (estimated)

Renewal Options:

July 1, 2016 through June 30, 2018 \$2,533,000 (estimated)

Vendor Henry Schein, Inc., Melville, NY

Bids Received

Henry Schein, Inc., Melville, NY

Avco Enterprises dba Dentserve, New York, NY

Total Estimated Cost

\$3,585,000

\$4,308,000

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

The vendor will provide dental supplies for the twenty clinics at the College of Dentistry. This includes pharmaceutical items such as anesthetics and non-pharmaceutical supplies such as film, alloy, and small equipment.

The vendor is providing discounts ranging from 5% to 20% off the list price for catalog items not identified in the proposal.

3 Unit The University of Illinois Hospital & Health Sciences System (UIHHSS),
Department of Surgical Services

Item Spinal surgery supplies, including cervical plates, grafts, screws, and other ancillary items, for the period July 26, 2013 through May 31, 2016.

Cost \$7,500,000 (estimated)

Vendor Globus Medical, Inc., Audubon, PA

This purchase is a sole source because the items are patented and the vendor is the only manufacturer.

The vendor's spinous process system will be used by orthopedic and neurosurgical spine surgeons for non-cervical spinal fusion procedures to treat patients with degenerative disc disease, trauma, and tumors. The Globus system's technology allows surgeons to use spinal implants uniquely fitted to a patient's anatomy, improving the effectiveness and safety of spinal surgery. Patients will also experience a less complicated procedure with faster recovery time, resulting in an enhanced standard of patient care.

Pricing reflects discounts ranging from 38% to 44% off the list price of the supplies.

SUMMARY OF PURCHASES	
Urbana-Champaign Campus	\$ 11,600,000
Chicago Campus	\$ 11,085,000
Recommended from Institutional Funds	
Grand Total	\$ 22,685,000