

ROLL CALL

PURCHASE RECOMMENDATIONS

Following are purchase contracts proposed by each university and the System Office. The purchases are to be funded from State appropriations or institutional funds as appropriate. Unless otherwise specified or indicated, purchases are based on the lowest acceptable bid.

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, the Bylaws of the Board of Trustees*, and Board of Trustees policies and directives.

The President of the University concurs.

PURCHASES RECOMMENDED

University of Illinois at Urbana-Champaign

1 Unit Gies College of Business

Item Furnish a comprehensive media buying plan, in the United States and International Markets to target prospective students (undergraduate, graduate, and online programs) to promote the college's innovative programs and centers of excellence for the period January 22, 2021 through January 21, 2025 with 2 one-year renewal options.

Cost \$12,000,000 (estimated)

Renewals:

January 22, 2025 – January 21, 2026 \$3,000,000 (Estimated)

January 22, 2026 – January 21, 2027 \$3,000,000 (Estimated)

Vendor Central States Media, Peoria, Illinois

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

Gies College of Business at the University of Illinois at Urbana-Champaign, already a Top 10 US Public Business School, gained national attention in 2017 with its naming by alumnus Larry Gies. Since then, it has been aggressively investing in recruitment for its highly ranked undergraduate program, its residential graduate degrees, and the launch of its fast-growing online graduate business degrees, which has grown from 114 to 5,700 students from 48 states and 92 countries around the world. Two online degrees were added in 2017 and 2020. Fierce competition has come with this success. The pandemic prompted business schools that previously had been resistant to entering the online space due to lack of knowledge or experience to enter the fray now that they have paid the fixed cost of entry.

Based on the competitive marketing landscape, brand building and recruitment marketing is critical to the future growth of all academic programs within the College, and this can only be achieved effectively through multi-channel paid media buying. Our media budget across nearly a dozen programs is nearing \$1.6 million annually, making it inefficient and ineffective to manage this volume of media buying and distribution management internally. A media buying partner will reduce internal employee costs, as well as provide long-term buying opportunities that will ultimately reduce our purchase price but increase reach effectiveness.

Central State Media is a Certified BEP firm.

University of Illinois at Chicago

2	Unit	UI Hospital and Clinics
	Item	Intuitive Surgical robotic accessories and ancillary supplies for the period of March 12, 2021 through March 11, 2026, with no options to renew.
	Cost	\$17,500,000 (estimated)
	Vendor	Intuitive Surgical, Incorporated, Sunnyvale, California

Exempt from competitive selection procedures in accordance with the Illinois Procurement Code (30 ILCS 500/1-13).

The Hospital has five Intuitive Surgical robots used in the main operating room for minimally invasive surgery; the latest one was acquired in July 2020. Accessories and ancillary supplies for robotic surgery have been acquired from Intuitive since 2003 via a sole source award. Some of these items are one-time use, and some can be cleaned and reused for several cases before needing to be replaced. Robotic surgery volume has grown from 875 cases in FY19 to 968 cases in FY20 (11% increase). FY21 cases are projected to increase by 20% to 1,200. FY20 spend for robotic accessories was \$2.1 million. With the addition of the fifth robot in FY21, as well as new robotic surgical procedures being developed by the College of Medicine in their simulation lab, spend is expected to increase to \$2.6 million this year. The \$17.5 million award request reflects a growth rate of 25% to accommodate increased use of the robots, surgeons using them on new types of cases, new accessories developed by Intuitive and routine price increases from the vendor over the next five years.

Business Enterprise Program (BEP) goals are not established for contracts which are exempt from the requirements of the IL Procurement Code.

3 Unit UI Hospital and Clinics

Item GE Discovery Molecular Imaging PET/CT (positron emission tomography/computed tomography) imaging equipment for the new Outpatient Surgery Center and Specialty Clinics (OSC) building opening in fall 2022. This imaging equipment is part of the approved medical equipment budget and requires delivery this year in accordance with the project's construction schedule.

Cost \$1,995,000

Vendor GE Precision Healthcare, LLC Chicago, Illinois

Exempt from competitive selection procedures in accordance with the Illinois Procurement Code (30ILCS 500/1-13).

GE Precision Healthcare, LLC offers a PET/CT system that brings together the sensitivity of digital detection with the most innovative reconstruction technology available. It is a high performance system that produces quality images with accuracy, enhancing the ability to find disease sooner. Multiple scans can be completed in a single visit, reducing the injected dose or scan time by 50 percent for oncology, cardiology and neurology patients.

Initial PET/CT volume in the OSC is projected to be 1,000 scans per year, growing at a rate of 2% annually. UI Health negotiated a significantly lower price (60% off list) than GPO pricing for this equipment.

Business Enterprise Program (BEP) goals are not established for contracts which are exempt from the requirements of the IL Procurement Code.

4 Unit UI Hospital and Clinics

Item Siemens 3T MAGNETOM Vida MRI system, an MRI scanner for the new OSC building opening in fall 2022. This imaging equipment is part of the approved medical equipment budget and requires delivery this year in accordance with the project's construction schedule.

Cost \$1,997,160

Vendor Siemens Medical Solutions USA, Incorporated Malvern, Pennsylvania

Exempt from competitive selection procedures in accordance with the Illinois Procurement Code (30ILCS 500/1-13).

The MANGETOM Vida MRI includes a new magnet design and system architecture to provide high-end clinical diagnostic imaging. It includes BioMatrix technology which anticipates and adapts the MRI exam to the patient, and provides new acceleration techniques to improve image quality and eliminate patient motion. Initial MRI volume in the OSC is projected to be 1,500 scans per year, with an annual growth rate of 2%. UI Health negotiated a significantly lower price (58% off list) than GPO pricing for this equipment.

Business Enterprise Program (BEP) goals are not established for contracts which are exempt from the requirements of the IL Procurement Code

University of Illinois Springfield

5 Unit **UIS Human Resources**

Item Purchase of student accident and illness insurance plan for the period of August 16, 2021 through August 15, 2022.

Cost \$1,600,000 (estimated)

Vendor Academic Health Plans (Blue Cross Blue Shield plan), Grapevine, Texas
Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

Academic Health Plans will provide a student accident and illness insurance plan to the University of Illinois Springfield for the period of August 16, 2021 through August 15, 2022 (Fall 2021, Spring 2022 and Summer 2022 semesters).

A Best and Final Offer was negotiated and cost savings are estimated at \$55,146.00 for the life of the contract.

	Fall Semester 2021	Spring Semester 2022	Summer Semester 2022
Per individual enrollee	\$887.00	\$887.00	\$438.00

RENEWAL OPTIONS RECOMMENDED

University of Illinois Urbana-Champaign

6 Unit **Utilities Administration**

Item Renewal option for the purchase and delivery of coal, including by-product waste disposal services, for the period July 1, 2021 through June 30, 2022.

Cost \$5,860,000 (estimated)

Vendor Knight Hawk Coal, LLC. Percy, Illinois

This will exercise the second of five renewal options approved by the Board of Trustees on September 19, 2019, for an estimated \$5,860,000 for the period September 20, 2019 through June 30, 2020. Competitive bidding procedures were followed in accordance with the Illinois Procurement Code.

The vendor will continue to 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.

The vendor has demonstrated satisfactory performance in fulfilling the terms and conditions of their contract. The original procurement allowed for a renewal price increase of up to 10% per ton. However, after negotiations with the vendor, they have agreed to keep pricing firm for FY22.

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

7 Unit Roy J. Carver Biotechnology Center

Item Renewal option for purchase of Reagents for DNA Analyzer Systems for the period July 1, 2021 through June 30, 2022

Cost \$5,000,000 (estimated)

Vendors Illumina, San Diego, California

This will exercise the third of five renewal options approved by the Board of Trustees on March 15, 2018, for an estimated \$5,000,000 for the period July 1, 2018, through June 30, 2019. This purchase is a sole source because the items are patented, uniquely compatible with existing equipment, and the vendor is the only manufacturer and distributor.

The Roy J. Carver Biotechnology Center currently owns five Illumina DNA Sequencing Instruments, which require the use of the same vendor's DNA Analyzer reagents. The instruments provide cutting-edge, 'next generation' sequencing of DNA, and each DNA run requires the use of a new reagent.

These reagents will be used for multi-disciplinary researchers in various campus departments for ongoing projects that include sequencing of small RNA, quantitative expression, de novo sequencing, and the re-sequencing of organisms for SNP (genetic markers) detection.

Negotiations resulted in discounts of 5% to 12% for a majority of the different consumable types.

SUMMARY OF PURCHASES	
University of Illinois at Urbana-Champaign	\$ 12,000,000
University of Illinois at Chicago	\$ 21,492,160
University of Illinois Springfield	\$ 1,600,000
Recommended from Institutional Funds	
Grand Total	\$ 35,092,160
SUMMARY OF RENEWALS	
University of Illinois at Urbana-Champaign	\$ 10,860,000
Recommended from Institutional Funds	
Grand Total	\$ 45,952,160