

Approved by the Board of Trustees
March 12, 2020

Board Meeting
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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 Special Advisor to the President and Deputy Comptroller 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	Holonyak Micro & Nanotechnology Lab, Grainger College of Engineering.
	Item	Furnish and Deliver an Electron Beam Lithography System.
	Cost	\$2,080,000 (estimated)
	Vendor	SEMTECH Solutions, Inc., North Billerica, MA

Bid Received	Total Estimated Cost
SEMTech Solutions, Inc.	\$2,080,000
Jeol USA, Inc.	\$2,500,000

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

Lithography is the process of transferring a physical image to a real substrate sample to create smaller-than-microscopic size for micro-chips and micro-devices including fluidics, circuits, and sensors. In order to do that, researchers use the instrument to directly write onto a special electron-beam sensitive material, called an ebeam-resist. The higher the beam energy, the deeper researchers can write and the finer they can focus. EBL (Electron Beam Lithography) is the widely used technique for lithography for nano-fabrication in the R&D environment.

Researchers in the Holonyak Micro & Nanotechnology Lab are currently using an EBL system that is more than 20-years old and has become obsolete.

There are currently 17 faculty member leading research projects that require use of an Electron Beam Lithography system.

CHANGE ORDER RECOMMENDED

University of Illinois at Chicago

2	Unit	UIC Police Department
	Item	Change Order to existing agreement for Monterrey Security Consultant, Inc. to increase security coverage for crime prevention throughout the University campus.
	Cost	\$5,682,958 (estimated)
	Vendors	Monterrey Security Consultant, Inc.

In Fiscal Year 2018, the University issued a request for proposal for unarmed

security services under RFP# IJW050, and three firms were recommended for contract award to provide unarmed security services at various University locations. United Security Services, Inc., Allied Universal Security Services and Monterrey Security Consultant, Inc. received approval for a four-year contract award.

Contracts were negotiated with two firms: United Security Services, Inc. and Monterrey Security Consultant, Inc. Allied Universal Security Services failed to execute a contract due to prevailing wage issues. The term of the contracts was for the period September 10, 2018 through September 9, 2022 with the option to renew for three 2-year periods, subject to continuing need, availability of funds, and satisfactory performance.

As the need for security coverage increased, Monterrey Security Services contract was increased from \$1,600,616 to \$3,563,944 with \$1,963,328 of Allied Universal Security Services approved available funding, because their contract was not executed. The Monterrey Services contract did not require BOT approval at that time because the estimated spend was still below the threshold for BOT review/approval. Due to recent increased criminal activities on campus, the Police Department has requested \$3,000,000 be added to Monterrey contract for additional fixed post assignments and campus presence through FY 2022.

The goal for BEP participation under RFP# IJW050 was 25% BEP and 3% Veteran-Owned Small Business Participation. Monterrey Security Consultant, Inc. submitted a BEP Utilization Plan with Letters of Intent at the time proposal was due, and is in compliance to utilize the BEP firms, Kate Detectives & Security Agency for 25% BEP participation and Halo Security Group for 3% Veteran participation.

Original Amount FY19 (est)	Change Order (estimated)	New Total (estimated)
\$400,154.00	FY20 \$1,890,986	\$6,073,112
	FY21 \$1,890,986	
	FY22 \$1,890,986	

Renewal Period: FY22-FY24: \$3,853,468 estimated

Renewal Period: FY24-FY26: \$3,853,468 estimated

Renewal Period: FY26-FY28: \$3,853,468 estimated

RENEWALS RECOMMENDED

University of Illinois at Urbana-Champaign

3 Unit Utilities Administration

Item Renewal option for the purchase and delivery of coal, including by-product waste disposal services, for the period July 1, 2020 through June 30, 2021.

Cost \$5,860,000 (Estimated)

Vender Knight Hawk Coal, LLC, Percy, IL

This will exercise the first 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 FY21.

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

4 Unit Roy J. Carver Biotechnology Center

Item Renewal option for purchase of Reagents for DNA Analyzer Systems for the period July 1, 2020 through June 30, 2021.

Cost \$5,000,000 (Estimated)

Vendor Illumina, San Diego, CA

This will exercise the second 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 3% to 30% for a majority of the different consumable types.

SUMMARY OF PURCHASE	
University of Illinois at Urbana-Champaign	\$2,080,000
Recommended from Institutional Funds	
Grand Total	\$2,080,000
SUMMARY OF CHANGE ORDER	
University of Illinois at Chicago	\$5,672,958
Recommended from Institutional Funds	
Grand Total	\$5,672,958
SUMMARY OF RENEWALS	
University of Illinois at Urbana-Champaign	\$10,860,000
Recommended from Institutional Funds	
Grand Total	\$10,860,000